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[Admitted Pro Hac Vice]

Counsel for Vitamins Online, Inc.

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
SANTA ANA DIVISION

In re:
HEARTWISE, INC.,
Debtor.

Case No. 8:20-bk-13335-MW

Chapter 11

**SUBMISSION OF AMENDED EXHIBIT 5
TO DECLARATION OF OSMAN KHAN
FILED IN SUPPORT OF MOTION TO
APPOINT A CHAPTER 11 TRUSTEE**

Date: March 8, 2021

Time: 2:00 P.M.

Ctrm: 6C

**411 West Fourth Street,
Santa Ana, CA 92701-4593**

PLEASE TAKE NOTICE that, pursuant to the Court's Order on Motion for Protective Order Pursuant to 11 U.S.C. § 107(c) and FRBP 9037 to Restrict Access to Filed Documents Containing Personal Data Identifiers [Doc. No. 82], Vitamins Online, Inc. hereby submits its

1 amended Exhibit 5 to the Declaration of Osman Khan filed in support of its Motion to Appoint
2 Chapter 11 Trustee in the above-captioned bankruptcy case of Heartwise, Inc. d/b/a NatureWise,
3 debtor and debtor-in-possession herein. Personal identifiers have been redacted from the amended
4 Exhibit 5 attached hereto.
5

6 February 22, 2021

VITAMINS ONLINE, INC.

7 /s/ Eve H. Karasik

EVE H. KARASIK

8 MONICA Y. KIM

9 LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.

-and-

10 Matthew M. Boley (Admitted Pro Hac Vice)

11 COHNE KINGHORN, P.C.

Counsel for Vitamins Online, Inc.
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AMENDED EXHIBIT 5

**SOPHIA M.C. YANG & CO., CPA
17534 VON KARMAN AVE.
IRVINE, CA 92614
949-651-8080**

September 30, 2020

HEARTWISE INCORPORATED
2973 HARBOR BLVD. #472
COSTA MESA, CA 92626

Dear Client:

Your 2019 Federal Corporation Income Tax Return will be electronically filed with the Internal Revenue Service upon receipt of a signed Form 8879C - IRS e-file Signature Authorization. There is a balance of \$108,095 payable by September 30, 2020.

All payments due must be electronically deposited through the Electronic Federal Tax Payment System (EFTPS). For EFTPS deposits to be made on time, the transaction must be initiated at least one business day before the date the deposit is due.

Your 2019 California Corporation Franchise or Income Tax Return will be electronically filed with the State of California upon receipt of a signed Form 8453C. There is a balance of \$34,916 payable by September 30, 2020.

As a participant in the California Electronic Funds Transfer program, you must remit all payments to the Franchise Tax Board through EFT rather than by paper check. Do not submit any checks to the Franchise Tax Board.

Your 2019 Oregon Corporation Excise Tax Return will be electronically filed with the State of Oregon. No tax is payable with the filing of this return. You will receive a refund of \$150.

Your estimated tax schedule for 2020 is listed below:

Due Date	Federal	California
7/15/20	\$ 73,209	\$ 40,754
7/15/20	73,209	54,339
9/15/20	73,209	0
12/15/20	73,209	40,754
	-----	-----
	\$ 292,836	\$ 135,847

Please be sure to call if you have any questions.

Sincerely,

Sophia Yang

Form at bottom of page.

Installment 1 – File and Pay by the 15th day of the 4th month of the taxable year. When the due date falls on a weekend or holiday, the deadline to file and pay without a penalty is extended to the next business day.

If no payment is due, do not mail this form.

WHERE TO FILE: Using black or blue ink, make the check or money order payable to the 'Franchise Tax Board.' Write the corporation number, FEIN, and CA SOS file number, if applicable, and '2020 Form 100-ES' on the check or money order. Detach form below. Enclose, but **do not** staple, the payment with this form and mail to:

**FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0531**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

ONLINE SERVICES: Corporations can make payments online using Web Pay for Businesses. Corporations can make an immediate payment or schedule payments up to a year in advance. Go to ftb.ca.gov/pay for more information.

----- DETACH HERE ----- IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM -----

Caution: The corporation may be required to pay electronically. See instructions.

----- DETACH HERE -----

Installment 1

CALIFORNIA FORM

TAXABLE YEAR

2020

Corporation Estimated Tax

100-ES

4528062 HEAR 45-5252765 000000000000 20 FORM 1
TYB 01-01-2020 TYE 12-31-2020
HEARTWISE INCORPORATED

2973 HARBOR BLVD 472
COSTA MESA CA 92626 (714) 352-3132

EST TAX AMT 40754. QSUB TAX AMT
TOTAL PAYMENT AMT 40754.

Form at bottom of page.

Installment 2 — File and Pay by the 15th day of the 6th month of the taxable year. When the due date falls on a weekend or holiday, the deadline to file and pay without a penalty is extended to the next business day.

If no payment is due, do not mail this form.

WHERE TO FILE: Using black or blue ink, make the check or money order payable to the 'Franchise Tax Board.' Write the corporation number, FEIN, and CA SOS file number, if applicable, and '2020 Form 100-ES' on the check or money order. Detach form below. Enclose, but **do not** staple, the payment with this form and mail to:

**FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0531**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

ONLINE SERVICES: Corporations can make payments online using Web Pay for Businesses. Corporations can make an immediate payment or schedule payments up to a year in advance. Go to ftb.ca.gov/pay for more information.

----- DETACH HERE ----- IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM -----
Caution: The corporation may be required to pay electronically. See instructions.

----- DETACH HERE -----
Installment 2

TAXABLE YEAR

CALIFORNIA FORM

2020

Corporation Estimated Tax

100-ES

4528062 HEAR 45-5252765 000000000000 20 FORM 1
TYB 01-01-2020 TYE 12-31-2020
HEARTWISE INCORPORATED

2973 HARBOR BLVD 472
COSTA MESA CA 92626 (714) 352-3132

EST TAX AMT 54339. QSUB TAX AMT TOTAL PAYMENT AMT 54339.

Form at bottom of page.

Installment 4 – File and Pay by the 15th day of the 12th month of the taxable year. When the due date falls on a weekend or holiday, the deadline to file and pay without a penalty is extended to the next business day.

If no payment is due, do not mail this form.

WHERE TO FILE: Using black or blue ink, make the check or money order payable to the 'Franchise Tax Board.' Write the corporation number, FEIN, and CA SOS file number, if applicable, and '2020 Form 100-ES' on the check or money order. Detach form below. Enclose, but **do not** staple, the payment with this form and mail to:

**FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0531**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

ONLINE SERVICES: Corporations can make payments online using Web Pay for Businesses. Corporations can make an immediate payment or schedule payments up to a year in advance. Go to ftb.ca.gov/pay for more information.

----- DETACH HERE ----- IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM -----

Caution: The corporation may be required to pay electronically. See instructions.

TAXABLE YEAR

2020

Corporation Estimated Tax

----- DETACH HERE -----

**Installment 4
CALIFORNIA FORM**

100-ES

4528062 HEAR 45-5252765 000000000000 20 FORM 1
TYB 01-01-2020 TYE 12-31-2020
HEARTWISE INCORPORATED

2973 HARBOR BLVD 472
COSTA MESA CA 92626 (714) 352-3132

EST TAX AMT 40754. QSUB TAX AMT TOTAL PAYMENT AMT 40754.

Form **8879-C**

IRS e-file Signature Authorization for Form 1120

OMB No. 1545-0123

For calendar year 2019, or tax year beginning _____, 2019, ending _____,

2019

Department of the Treasury
Internal Revenue Service

► Do not send to the IRS. Keep for your records.
► Go to www.irs.gov/Form8879C for the latest information.

Name of corporation **HEARTWISE INCORPORATED** Employer identification number **45-5252765**

Part I Tax Return Information (Whole dollars only)

1	Total income (Form 1120, line 11)	1	6,753,720.
2	Taxable income (Form 1120, line 30)	2	1,394,452.
3	Total tax (Form 1120, line 31)	3	292,835.
4	Amount owed (Form 1120, line 35)	4	108,095.
5	Overpayment (Form 1120, line 36)	5	

Part II Declaration and Signature Authorization of Officer. Be sure to get a copy of the corporation's return.

Under penalties of perjury, I declare that I am an officer of the above corporation and that I have examined a copy of the corporation's 2019 electronic income tax return and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the corporation's electronic income tax return. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the corporation's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the corporation's electronic income tax return and, if applicable, the corporation's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize SOPHIA M.C. YANG & CO., CPA to enter my PIN as my signature
ERO firm name do not enter all zeros
on the corporation's 2019 electronically filed income tax return.

☐ As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2019 electronically filed income tax return.

Officer's signature ► _____ Date ► _____ Title ► **PRESIDENT**

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2019 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 3112, IRS e-file Application and Participation, and Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ► SOPHIA YANG Date ► _____

ERO Must Retain This Form — See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

BAA For Paperwork Reduction Act Notice, see instructions.

Form **8879-C** (2019)

Form **7004**

(Rev. December 2018)

Department of the Treasury
Internal Revenue Service

Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns

► File a separate application for each return.
► Go to www.irs.gov/Form7004 for instructions and the latest information.

OMB No. 1545-0233

Print
or
Type

Name

HEARTWISE INCORPORATED

Number, street, and room or suite no. (If P.O. box, see instructions.)

2973 HARBOR BLVD. #472

City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code).)

COSTA MESA, CA 92626

Identifying number

45-5252765

Note: File request for extension by the due date of the return. See instructions before completing this form.

Part I Automatic Extension for Certain Business Income Tax, Information, and Other Returns. See instructions.

1 Enter the form code for the return listed below that this application is for. 12

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041 (estate other than a bankruptcy estate)	04	Form 1120-REIT	23
Form 1041 (trust)	05	Form 1120-RIC	24
Form 1041-N	06	Form 1120S	25
Form 1041-QFT	07	Form 1120-SF	26
Form 1042	08	Form 3520-A	27
Form 1065	09	Form 8612	28
Form 1066	11	Form 8613	29
Form 1120	12	Form 8725	30
Form 1120-C	34	Form 8804	31
Form 1120-F	15	Form 8831	32
Form 1120-FSC	16	Form 8876	33
Form 1120-H	17	Form 8924	35
Form 1120-L	18	Form 8928	36
Form 1120-ND	19		

Part II All Filers Must Complete This Part

- 2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here. ☐ ►
- 3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here. ☐ ►
If checked, attach a statement listing the name, address, and employer identification number (EIN) for each member covered by this application.
- 4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here. ☐ ►

5a The application is for calendar year 20 19, or tax year beginning _____, 20 __, and ending _____, 20 __

b **Short tax year.** If this tax year is less than 12 months, check the reason: ☐ Initial return ☐ Final return
☐ Change in accounting period ☐ Consolidated return to be filed ☐ Other (See instructions – attach explanation.)

6 Tentative total tax	6	292,835.
7 Total payments and credits. See instructions	7	0.
8 Balance due. Subtract line 7 from line 6. See instructions	8	292,835.

BAA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

CPC20701L 08/09/18

Form **7004** (Rev. 12-2018)

Form 1120 Department of the Treasury Internal Revenue Service	U.S. Corporation Income Tax Return For calendar year 2019 or tax year beginning _____, 2019, ending _____, ▶ Go to www.irs.gov/Form1120 for instructions and the latest information.	OMB No. 1545-0123 <div style="font-size: 24pt; font-weight: bold;">2019</div>
A Check if: <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> 1 a Consolidated return (attach Form 851) <input type="checkbox"/> b Life/nonlife consolidated return <input type="checkbox"/> 2 Personal holding co. (attach Sch. PH) <input type="checkbox"/> 3 Personal service corp. (see instrs) <input type="checkbox"/> 4 Schedule M-3 attached <input type="checkbox"/> </div> <div style="width: 35%; border-left: 1px solid black; padding-left: 5px;"> <div style="text-align: center; font-weight: bold;">TYPE OR PRINT</div> <div style="font-family: monospace;"> HEARTWISE INCORPORATED 2973 HARBOR BLVD. #472 COSTA MESA, CA 92626 </div> </div> </div>		
		B Employer identification number 45-5252765 C Date incorporated 5/10/2012 D Total assets (see instructions) \$ 8,346,396.
E Check if: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change		
INCOME	1 a Gross receipts or sales 1 a 13,479,500. b Returns and allowances 1 b 431,107. c Balance. Subtract line 1b from line 1a 1 c 13,048,393. 2 Cost of goods sold (attach Form 1125-A) 2 6,295,802. 3 Gross profit. Subtract line 2 from line 1c 3 6,752,591. 4 Dividends and inclusions (Schedule C, line 23) 4 5 Interest 5 150. 6 Gross rents 6 7 Gross royalties 7 8 Capital gain net income (attach Schedule D (Form 1120)) 8 9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797) 9 10 Other income (see instructions — attach statement) 10 SEE STATEMENT 1 979. 11 Total income. Add lines 3 through 10. 11 6,753,720.	<div style="text-align: right; font-weight: bold;">13,048,393.</div> <div style="text-align: right; font-weight: bold;">6,295,802.</div> <div style="text-align: right; font-weight: bold;">6,752,591.</div> <div style="text-align: right; font-weight: bold;">150.</div> <div style="text-align: right; font-weight: bold;">979.</div> <div style="text-align: right; font-weight: bold;">6,753,720.</div>
DEDUCTIONS	12 Compensation of officers (see instructions — attach Form 1125-E) 12 177,479. 13 Salaries and wages (less employment credits) 13 263,800. 14 Repairs and maintenance 14 15 Bad debts 15 52,142. 16 Rents 16 5,388. 17 Taxes and licenses 17 38,523. 18 Interest (see instructions) 18 490. 19 Charitable contributions 19 20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562) 20 21 Depletion 21 22 Advertising 22 816,774. 23 Pension, profit-sharing, etc., plans 23 24 Employee benefit programs 24 25 Reserved for future use 25 26 Other deductions (attach statement) 26 SEE STATEMENT 3 3,862,405. 27 Total deductions. Add lines 12 through 26. 27 5,217,001. 28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11. 28 1,536,719. 29a Net operating loss deduction (see instructions) 29a 142,267. b Special deductions (Schedule C, line 24) 29b c Add lines 29a and 29b. 29c 142,267.	<div style="text-align: right; font-weight: bold;">177,479.</div> <div style="text-align: right; font-weight: bold;">263,800.</div> <div style="text-align: right; font-weight: bold;">52,142.</div> <div style="text-align: right; font-weight: bold;">5,388.</div> <div style="text-align: right; font-weight: bold;">38,523.</div> <div style="text-align: right; font-weight: bold;">490.</div> <div style="text-align: right; font-weight: bold;">816,774.</div> <div style="text-align: right; font-weight: bold;">3,862,405.</div> <div style="text-align: right; font-weight: bold;">5,217,001.</div> <div style="text-align: right; font-weight: bold;">1,536,719.</div> <div style="text-align: right; font-weight: bold;">142,267.</div>
CREDITS, TAXES, AND PAYMENTS	30 Taxable income. Subtract line 29c from line 28. See instructions. 30 1,394,452. 31 Total tax (Schedule J, Part I, line 11) 31 292,835. 32 2019 net 965 tax liability paid (Schedule J, Part II, line 12) 32 33 Total payments, credits, and section 965 net tax liability (Schedule J, Part III, line 23) 33 195,000. 34 Estimated tax penalty. See instructions. Check if Form 2220 is attached <input checked="" type="checkbox"/> 34 10,260. 35 Amount owed. If line 33 is smaller than the total of lines 31, 32, and 34, enter amount owed. 35 108,095. 36 Overpayment. If line 33 is larger than the total of lines 31, 32, and 34, enter amount overpaid 36 37 Enter amount from line 36 you want: Credited to 2020 estimated tax. ▶ Refunded ▶ 37	<div style="text-align: right; font-weight: bold;">1,394,452.</div> <div style="text-align: right; font-weight: bold;">292,835.</div> <div style="text-align: right; font-weight: bold;">195,000.</div> <div style="text-align: right; font-weight: bold;">10,260.</div> <div style="text-align: right; font-weight: bold;">108,095.</div>
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> Signature of officer _____ Date _____ </div> <div style="width: 45%;"> Title PRESIDENT </div> </div> </div> <div style="width: 35%;"> May the IRS discuss this return with the preparer shown below? See instructions. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </div> </div>		
Paid Preparer Use Only	<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> Print/Type preparer's name SOPHIA YANG </div> <div style="width: 30%;"> Preparer's signature SOPHIA YANG </div> <div style="width: 20%;"> Date _____ </div> <div style="width: 20%;"> Check <input type="checkbox"/> if self-employed PTIN _____ </div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> Firm's name ▶ SOPHIA M.C. YANG & CO., CPA Firm's address ▶ 17534 VON KARMAN AVE. IRVINE, CA 92614 </div> <div style="width: 35%;"> Firm's EIN ▶ _____ Phone no. 949-651-8080 </div> </div>	

Form 1120 (2019) HEARTWISE INCORPORATED

45-5252765

Page 2

Schedule C Dividends, Inclusions, and Special Deductions (see instructions)		(a) Dividends and inclusions	(b) Percentage	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)		50	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		65	
3	Dividends on certain debt-financed stock of domestic and foreign corporations		see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		23.3	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		26.7	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		50	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		65	
8	Dividends from wholly owned foreign subsidiaries		100	
9	Subtotal. Add lines 1 through 8. See instructions for limitations.		see instructions	
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from affiliated group members		100	
12	Dividends from certain FSCs		100	
13	Foreign-source portion of dividends received from a specified 10%-owned foreign corporation (excluding hybrid dividends) (see instructions)		100	
14	Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, 12, or 13 (including any hybrid dividends)			
15	Section 965(a) inclusion		see instructions	
16a	Subpart F inclusions derived from the sale by a controlled foreign corporation (CFC) of the stock of a lower-tier foreign corporation treated as a dividend (attach Form(s) 5471) (see instructions)		100	
b	Subpart F inclusions derived from hybrid dividends of tiered corporations (attach Form(s) 5471) (see instructions)			
c	Other inclusions from CFCs under subpart F not included on line 15, 16a, 16b, or 17 (attach Form(s) 5471) (see instructions)			
17	Global Intangible Low-Taxed Income (GILTI) (attach Form(s) 5471 and Form 8992)			
18	Gross-up for foreign taxes deemed paid			
19	IC-DISC and former DISC dividends not included on line 1, 2, or 3			
20	Other dividends			
21	Deduction for dividends paid on certain preferred stock of public utilities			
22	Section 250 deduction (attach Form 8993)			
23	Total dividends and inclusions. Add column (a), lines 9 through 20. Enter here and on page 1, line 4.			
24	Total special deductions. Add column (c) lines 9 through 22. Enter here and on page 1, line 29b.			

Form 1120 (2019)

Form 1120 (2019) HEARTWISE INCORPORATED

45-5252765

Page 3

Schedule J Tax Computation and Payment (see instructions)

Part I – Tax Computation

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120)). See instructions. . . .	<input type="checkbox"/>	
2	Income tax. See instructions.	2	292,835.
3	Base erosion minimum tax amount (attach Form 8991).	3	
4	Add lines 2 and 3.	4	292,835.
5a	Foreign tax credit (attach Form 1118).	5a	
b	Credit from Form 8834 (see instructions).	5b	
c	General business credit (attach Form 3800).	5c	
d	Credit for prior year minimum tax (attach Form 8827).	5d	
e	Bond credits from Form 8912.	5e	
6	Total credits. Add lines 5a through 5e.	6	
7	Subtract line 6 from line 4.	7	292,835.
8	Personal holding company tax (attach Schedule PH (Form 1120)).	8	
9a	Recapture of investment credit (attach Form 4255).	9a	
b	Recapture of low-income housing credit (attach Form 8611).	9b	
c	Interest due under the look-back method – completed long-term contracts (attach Form 8697).	9c	
d	Interest due under the look-back method – income forecast method (attach Form 8866).	9d	
e	Alternative tax on qualifying shipping activities (attach Form 8902).	9e	
f	Other (see instructions – attach statement).	9f	
10	Total. Add lines 9a through 9f.	10	
11	Total tax. Add lines 7, 8, and 10. Enter here and on page 1, line 31.	11	292,835.

Part II – Section 965 Payments (see instructions)

12	2019 net 965 tax liability paid from Form 965-B, Part II, column (k), line 3. Enter here and on page 1, line 32.	12	
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Part III – Payments and Refundable Credits, and Section 965 Net Tax Liability

13	2018 overpayment credited to 2019.	13	
14	2019 estimated tax payments.	14	
15	2019 refund applied for on Form 4466.	15	
16	Combine lines 13, 14, and 15.	16	0.
17	Tax deposited with Form 7004.	17	195,000.
18	Withholding (see instructions).	18	
19	Total payments. Add lines 16, 17, and 18.	19	195,000.
20	Refundable credits from:		
a	Form 2439.	20a	
b	Form 4136.	20b	
c	Form 8827, line 5c.	20c	
d	Other (attach statement – see instructions).	20d	
21	Total credits. Add lines 20a through 20d.	21	
22	2019 net 965 tax liability from Form 965-B, Part I, column (d), line 3. See instructions.	22	
23	Total payments, credits, and section 965 net tax liability. Add lines 19, 21, and 22. Enter here and on page 1, line 33.	23	195,000.

Form 1120 (2019)

Form 1120 (2019) HEARTWISE INCORPORATED

45-5252765

Page 4

Schedule K Other Information (see instructions)

<p>1 Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) ▶ _____</p> <p>2 See the instructions and enter the:</p> <p>a Business activity code no. ▶ <u>454110</u></p> <p>b Business activity ▶ <u>MAIL ORDER SALES</u></p> <p>c Product or service ▶ <u>HEALTH PRODUCTS</u></p> <p>3 Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? X</p> <p>If "Yes," enter name and EIN of the parent corporation ▶ _____</p> <p>4 At the end of the tax year:</p> <p>a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G). X</p> <p>b Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G). X</p> <p>5 At the end of the tax year, did the corporation:</p> <p>a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on Form 851, Affiliations Schedule? For rules of constructive ownership, see instructions. X</p> <p>If "Yes," complete (i) through (iv) below.</p> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:45%;">(i) Name of Corporation</th> <th style="width:15%;">(ii) Employer Identification Number (if any)</th> <th style="width:15%;">(iii) Country of Incorporation</th> <th style="width:25%;">(iv) Percentage Owned in Voting Stock</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table> <p>b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. X</p> <p>If "Yes," complete (i) through (iv) below.</p> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:45%;">(i) Name of Entity</th> <th style="width:15%;">(ii) Employer Identification Number (if any)</th> <th style="width:15%;">(iii) Country of Organization</th> <th style="width:25%;">(iv) Maximum Percentage Owned in Profit, Loss, or Capital</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>	(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock																					(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital																					Yes	No
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock																																															
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital																																															
<p>6 During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? See sections 301 and 316. X</p> <p>If "Yes," file Form 5452, Corporate Report of Nondividend Distributions. See the instructions for Form 5452.</p> <p>If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.</p> <p>7 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power of all classes of the corporation's stock entitled to vote or at least 25% of the total value of all classes of the corporation's stock? X</p> <p>For rules of attribution, see section 318. If "Yes," enter:</p> <p>(a) Percentage owned ▶ _____ and (b) Owner's country ▶ _____</p> <p>(c) The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached ▶ _____</p> <p>8 Check this box if the corporation issued publicly offered debt instruments with original issue discount <input type="checkbox"/></p> <p>If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.</p> <p>9 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ _____ NONE</p> <p>10 Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ <u>2</u></p> <p>11 If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here (see instructions) <input type="checkbox"/></p> <p>If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.</p> <p>12 Enter the available NOL carryover from prior tax years (do not reduce it by any deduction reported on page 1, line 29a.) ▶ \$ _____ 142,267.</p>																																																		

Form 1120 (2019)

Form 1120 (2019) HEARTWISE INCORPORATED

45-5252765

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Schedule K Other Information (continued from page 4)

	Yes	No
13 Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year and its total assets at the end of the tax year less than \$250,000?		X
If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year ▶ \$		
14 Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement? See instructions.		X
If "Yes," complete and attach Schedule UTP.		
15a Did the corporation make any payments in 2019 that would require it to file Form(s) 1099?	X	
b If "Yes," did or will the corporation file required Form(s) 1099?	X	
16 During this tax year, did the corporation have an 80%-or-more change in ownership, including a change due to redemption of its own stock?		X
17 During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction?		X
18 Did the corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million?		X
19 During the corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code?		X
20 Is the corporation operating on a cooperative basis?		X
21 During the tax year, did the corporation pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? See instructions.		X
If "Yes," enter the total amount of the disallowed deductions ▶ \$		
22 Does the corporation have gross receipts of at least \$500 million in any of the 3 preceding tax years?		X
(See sections 59A(e)(2) and (3)).		
If "Yes," complete and attach Form 8991.		
23 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions.		X
24 Does the corporation satisfy one or more of the following? See instructions.		X
a The corporation owns a pass-through entity with current, or prior year carryover, excess business interest expense.		
b The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$26 million and the corporation has business interest expense.		
c The corporation is a tax shelter and the corporation has business interest expense.		
If "Yes," to any, complete and attach Form 8990.		
25 Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund?		X
If "Yes," enter amount from Form 8996, line 14. ▶ \$		

Form 1120 (2019)

Form 1120 (2019) HEARTWISE INCORPORATED

45-5252765

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Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
	Assets	(a)	(b)	(c)	(d)
1	Cash		787,541.		1,316,685.
2a	Trade notes and accounts receivable	1,324,262.		799,031.	
b	Less allowance for bad debts		1,324,262.		799,031.
3	Inventories		2,593,183.		2,691,298.
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement) SEE ST. 5.		34,915.		37,510.
7	Loans to shareholders		3,375,346.		3,485,346.
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets	218,825.		218,825.	
b	Less accumulated depreciation	218,825.		218,825.	
11a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)	12,250.		12,250.	
b	Less accumulated amortization	5,174.	7,076.	5,991.	6,259.
14	Other assets (attach statement) SEE ST. 6.				10,267.
15	Total assets		8,122,323.		8,346,396.
Liabilities and Shareholders' Equity					
16	Accounts payable		1,182,520.		391,097.
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach stmt) SEE ST. 7.		57,699.		493,639.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach statement)				
22	Capital stock: a Preferred stock				
	b Common stock	998,603.	998,603.	998,603.	998,603.
23	Additional paid-in capital		6,026,000.		6,026,000.
24	Retained earnings — Approp (att stmt)				
25	Retained earnings — Unappropriated		-142,499.		437,057.
26	Adjmt to shareholders' equity (att stmt)				
27	Less cost of treasury stock				
28	Total liabilities and shareholders' equity		8,122,323.		8,346,396.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return

Note: The corporation may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books	1,089,760.	7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books	292,835.		Tax-exempt interest \$	
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize):				
5	Expenses recorded on books this year not deducted on this return (itemize):		8	Deductions on this return not charged against book income this year (itemize):	
a	Depreciation	\$	a	Depreciation	\$
b	Charitable contributions	\$	b	Charitable contribns	\$
c	Travel & entertainment	\$ 991.			
	STATEMENT 8	153,133.			
		154,124.	9	Add lines 7 and 8	0.
6	Add lines 1 through 5	1,536,719.	10	Income (page 1, line 28) — line 6 less line 9	1,536,719.

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1	Balance at beginning of year	-142,499.	5	Distributions	a Cash	510,204.
2	Net income (loss) per books	1,089,760.		b Stock	c Property	
3	Other increases (itemize):		6	Other decreases (itemize):		
			7	Add lines 5 and 6		510,204.
4	Add lines 1, 2, and 3	947,261.	8	Balance at end of year (line 4 less line 7)		437,057.

Form 1120 (2019)

Form **1125-A**

(Rev. November 2018)

Department of the Treasury
Internal Revenue Service

Cost of Goods Sold

► Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.
► Go to www.irs.gov/Form1125A for the latest information.

OMB No. 1545-0123

Name HEARTWISE INCORPORATED		Employer identification number 45-5252765	
1	Inventory at beginning of year	1	2,593,183.
2	Purchases	2	6,314,435.
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	79,482.
6	Total. Add lines 1 through 5	6	8,987,100.
7	Inventory at end of year	7	2,691,298.
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions	8	6,295,802.

9a Check all methods used for valuing closing inventory:

(i) ☒ Cost

(ii) ☐ Lower of cost or market

(iii) ☐ Other (Specify method used and attach explanation.) ►

b Check if there was a writedown of subnormal goods ► ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970). ► ☐

d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO **9d**

e If property is produced or acquired for resale, do the rules of section 263A apply to the entity? See instructions ☐ Yes ☒ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation. ☐ Yes ☒ No

BAA For Paperwork Reduction Act Notice, see instructions.

Form 1125-A (Rev. 11-2018)

OMB No. 1545-0123

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-REIT, 1120-RIC, or 1120S.
▶ Information about Form 1125-E and its separate instructions is at www.irs.gov/form1125e.

Name	Employer identification number
HEARTWISE INCORPORATED	45-5252765

Note: Complete Form 1125-E only if total receipts are \$500,000 or more. See instructions for definition of total receipts.

1	(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of stock owned		(f) Amount of compensation
				(d) Common	(e) Preferred	
	TUONG V. NGUYEN	[REDACTED]	5 %	51.00 %	0.00 %	0.
	DAVIDPAUL DOYLE	[REDACTED]	100 %	49.00 %	0.00 %	177,479.
	ELAINE THU THAO LE	[REDACTED]	5 %	0.00 %	0.00 %	0.
			%	%	%	
			%	%	%	
			%	%	%	
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			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
2 Total compensation of officers						177,479.
3 Compensation of officers claimed on Form 1125-A or elsewhere on return						
4 Subtract line 3 from line 2. Enter the result here and on Form 1120, page 1, line 12 or the appropriate line of your tax return						177,479.

BAA For Paperwork Reduction Act Notice, see separate instructions.

Form 1125-E (Rev 10-2016)

Form **2220**

OMB No. 1545-0123

Underpayment of Estimated Tax by Corporations

▶ Attach to the corporation's tax return.

2019Department of the Treasury
Internal Revenue Service▶ Go to www.irs.gov/Form2220 for instructions and the latest information.

Name	Employer identification number
HEARTWISE INCORPORATED	45-5252765

Note: Generally, the corporation is not required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 38, on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

Part I Required Annual Payment

1	Total tax (see instructions)	1	292,835.
2a	Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1	2a	
b	Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method	2b	
c	Credit for federal tax paid on fuels (see instructions)	2c	
d	Total. Add lines 2a through 2c.	2d	
3	Subtract line 2d from line 1. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty.	3	292,835.
4	Enter the tax shown on the corporation's 2018 income tax return. See instructions. Caution: If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5.	4	
5	Required annual payment. Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3.	5	292,835.

Part II Reasons for Filing — Check the boxes below that apply. If any boxes are checked, the corporation **must** file Form 2220 even if it does not owe a penalty. See instructions.

- 6 ☐ The corporation is using the adjusted seasonal installment method.
- 7 ☐ The corporation is using the annualized income installment method.
- 8 ☐ The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

Part III Figuring the Underpayment

		(a)	(b)	(c)	(d)	
9	Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th months of the corporation's tax year.	9	4/15/19	6/15/19	9/15/19	12/15/19
10	Required installments. If the box on line 6 and/or line 7 above is checked, enter the amounts from Schedule A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% (0.25) of line 5 above in each column.	10	73,208.	73,209.	73,209.	73,209.
11	Estimated tax paid or credited for each period. For column (a) only, enter the amount from line 11 on line 15. See instructions.	11				
Complete lines 12 through 18 of one column before going to the next column.						
12	Enter amount, if any, from line 18 of the preceding column.	12				
13	Add lines 11 and 12.	13				
14	Add amounts on lines 16 and 17 of the preceding column.	14		73,208.	146,417.	219,626.
15	Subtract line 14 from line 13. If zero or less, enter -0-.	15	0.	0.	0.	0.
16	If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-.	16		73,208.	146,417.	
17	Underpayment. If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18.	17	73,208.	73,209.	73,209.	73,209.
18	Overpayment. If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column.	18				

Go to **Part IV** on page 2 to figure the penalty. Do not go to **Part IV** if there are no entries on line 17 — no penalty is owed.

Form 2220 (2019) HEARTWISE INCORPORATED

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Part IV Figuring the Penalty

		(a)	(b)	(c)	(d)
19	Enter the date of payment or the 15th day of the 4th month after the close of the tax year, whichever is earlier. (C corporations with tax years ending June 30 and S corporations: Use 3rd month instead of 4th month. Form 990-PF and Form 990-T filers: Use 5th month instead of 4th month.) See instructions.	19	4/15/20	4/15/20	4/15/20
20	Number of days from due date of installment on line 9 to the date shown on line 19.	20	366	305	213
21	Number of days on line 20 after 4/15/2019 and before 7/1/2019.	21	76	15	
22	Underpayment on line 17 x $\frac{\text{Number of days on line 21}}{365}$ x 6% (0.06)	22	914.60	180.52	
23	Number of days on line 20 after 6/30/2019 and before 10/1/2019.	23	92	92	15
24	Underpayment on line 17 x $\frac{\text{Number of days on line 23}}{365}$ x 5% (0.05)	24	922.62	922.63	150.43
25	Number of days on line 20 after 9/30/2019 and before 1/1/2020.	25	92	92	92
26	Underpayment on line 17 x $\frac{\text{Number of days on line 25}}{365}$ x 5% (0.05)	26	922.62	922.63	922.63
27	Number of days on line 20 after 12/31/2019 and before 4/1/2020.	27	91	91	91
28	Underpayment on line 17 x $\frac{\text{Number of days on line 27}}{366}$ x 5% (0.05)	28	910.10	910.11	910.11
29	Number of days on line 20 after 3/31/2020 and before 7/1/2020.	29	15	15	15
30	Underpayment on line 17 x $\frac{\text{Number of days on line 29}}{366}$ x 5% ...	30	150.02	150.02	150.02
31	Number of days on line 20 after 6/30/2020 and before 10/1/2020.	31			
32	Underpayment on line 17 x $\frac{\text{Number of days on line 31}}{366}$ x % ...	32			
33	Number of days on line 20 after 9/30/2020 and before 1/1/2021.	33			
34	Underpayment on line 17 x $\frac{\text{Number of days on line 33}}{366}$ x % ...	34			
35	Number of days on line 20 after 12/31/2020 and before 3/16/2021.	35			
36	Underpayment on line 17 x $\frac{\text{Number of days on line 35}}{365}$ x % ...	36			
37	Add lines 22, 24, 26, 28, 30, 32, 34, and 36.	37	3,819.96	3,085.91	2,133.19
38	Penalty. Add columns (a) through (d) of line 37. Enter the total here and on Form 1120, line 34; or the comparable line for other income tax returns.	38			10,260.

*Use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at www.irs.gov. You can also call 1-800-829-4933 to get interest rate information.

2019

FEDERAL STATEMENTS

PAGE 1

HEARTWISE INCORPORATED

45-5252765

STATEMENT 1
FORM 1120, LINE 10
OTHER INCOME

OTHER INCOME.....\$ 979.
TOTAL \$ 979.

STATEMENT 2
FORM 1120, LINE 17
TAXES AND LICENSES

LICENSES AND PERMITS.....\$ 650.
PAYROLL TAXES.....37,873.
TOTAL \$ 38,523.

STATEMENT 3
FORM 1120, LINE 26
OTHER DEDUCTIONS

AMAZON VENDOR CHARGES.....\$ 1,838,513.
AMORTIZATION.....817.
AUTO AND TRUCK.....169.
BANK CHARGES.....62.
COMMISSIONS.....1,500.
COMPUTER, INTERNET AND WEBSITE MAINTENAN.....83,684.
DELIVERY AND FREIGHT.....77,701.
INSURANCE.....71,597.
LABORTORY PRODUCT DEVELOPMENT FEES.....7,570.
LEGAL AND PROFESSIONAL.....350,037.
MANAGEMENT FEES.....1,280,600.
MEALS.....991.
MERCHANT FEES.....9,710.
MISCELLANEOUS.....1,014.
OFFICE EXPENSE.....12,417.
OUTSIDE SERVICES.....118,059.
PAYROLL PROCESSING FEES.....851.
SUBSCRIPTIONS.....3,458.
SUPPLIES.....1,080.
TRAVEL.....2,575.
TOTAL \$ 3,862,405.

STATEMENT 4
FORM 1120, LINE 29A
NET OPERATING LOSS DEDUCTION

CARRYOVER GENERATED FROM YEAR END 12/31/18 \$ 142,267.
AVAILABLE FOR CARRYOVER TO 2019.....142,267.
TOTAL NET OPERATING LOSS DEDUCTION.....\$ 142,267.

2019

FEDERAL STATEMENTS

PAGE 2

HEARTWISE INCORPORATED

45-5252765

**STATEMENT 5
FORM 1120, SCHEDULE L, LINE 6
OTHER CURRENT ASSETS**

	<u>BEGINNING</u>	<u>ENDING</u>
AMAZON RESERVED ACCOUNT.....	\$ 31,147.	\$ 5,964.
PREPAID INSURANCE.....	340.	31,546.
PREPAID RENT.....	3,428.	0.
TOTAL	\$ 34,915.	\$ 37,510.

**STATEMENT 6
FORM 1120, SCHEDULE L, LINE 14
OTHER ASSETS**

	<u>BEGINNING</u>	<u>ENDING</u>
OTHER ASSETS.....	\$ 0.	\$ 10,267.
TOTAL	\$ 0.	\$ 10,267.

**STATEMENT 7
FORM 1120, SCHEDULE L, LINE 18
OTHER CURRENT LIABILITIES**

	<u>BEGINNING</u>	<u>ENDING</u>
ACCRUED EXPENSES.....	\$ 0.	\$ 2,736.
CREDIT CARD PAYABLE.....	54,885.	48,465.
FEDERAL TAX PAYABLE.....	0.	303,095.
PAYROLL TAX PAYABLE.....	14.	53.
REFUNDS PAYABLE.....	0.	-626.
STATE TAX PAYABLE.....	2,800.	139,916.
TOTAL	\$ 57,699.	\$ 493,639.

**STATEMENT 8
FORM 1120, SCHEDULE M-1, LINE 5
BOOK EXPENSES NOT DEDUCTED**

FEDERAL UNDERPAYMENT PENALTY.....	\$ 10,260.
NONDEDUCTIBLE.....	2,000.
PENALTIES.....	7.
STATE TAXES.....	135,996.
STATE UNDERPAYMENT PENALTY.....	4,870.
TOTAL	\$ 153,133.

**STATEMENT 9
FORM 1125-A, LINE 5
OTHER COST OF GOODS SOLD**

FREIGHT IN, CUSTOMS AND DUTIES.....	\$ 6,783.
SHIPPING AND PACKAGING MATERIALS.....	72,699.
TOTAL	\$ 79,482.

2019 TAX RETURN

CALIFORNIA CORPORATION

Client: 70350750

Prepared for: HEARTWISE INCORPORATED
2973 HARBOR BLVD. #472
COSTA MESA, CA 92626
(714) 352-3132

Prepared by: SOPHIA YANG
SOPHIA M.C. YANG & CO., CPA
17534 VON KARMAN AVE.
IRVINE, CA 92614
949-651-8080

Date: SEPTEMBER 30, 2020

Comments:

Route to: _____

059

Date Accepted

DO NOT MAIL THIS FORM TO THE FTB

TAXABLE YEAR

FORM

2019

California e-file Return Authorization for Corporations

8453-C

Corporation name

California Corporation No., CA SOS file no., or FEIN

HEARTWISE INCORPORATED

45-5252765

Part I Tax Return Information (whole dollars only)

1	Total income (Form 100, line 9; Form 100S, line 8; Form 100W, line 9 or Form 100X, line 6).....	1	1,536,719.
2	Taxable income (Form 100, line 22; Form 100S, line 20; Form 100W, line 22 or Form 100X, line 10).....	2	1,536,719.
3	Total tax (Form 100, line 30; Form 100S, line 29; Form 100W, line 30 or Form 100X, line 18).....	3	135,846.
4	Tax due (Form 100, line 39; Form 100S, line 38; Form 100W, line 36 or Form 100X, line 20).....	4	30,046.
5	Overpayment (Form 100, line 40; Form 100S, line 39; Form 100W, line 37 or Form 100X, line 27).....	5	

Part II Settle the Account Electronically for Taxable Year 2019

6		Direct deposit of refund (For Forms 100, 100S, and 100W only.)	
7		Electronic funds withdrawal	7a Amount
			7b Withdrawal date (mm/dd/yyyy)

Part III Schedule of Estimated Tax Payments for Taxable Year 2020 (These are NOT installment payments for the current amount the corporation owes.)

	First Payment	Second Payment	Third Payment	Fourth Payment
8 Amount				
9 Withdrawal Date				

Part IV Banking Information (Have you verified the corporation's banking information?)

10 Routing number		12 Type of account:	<input type="checkbox"/> Checking	<input type="checkbox"/> Savings
11 Account number				

Part V Declaration of Officer

I authorize the corporate account to be settled as designated in Part II. If I check Part II, Box 6, I declare that the bank account specified in Part IV for the direct deposit refund agrees with the authorization stated on my return. If I check Part II, Box 7, I authorize an electronic funds withdrawal for the amount listed on line 7a and any estimated payment amounts listed on Part III, line 8 from the bank account specified in Part IV.

Under penalties of perjury, I declare that I am an officer of the above corporation and that the information I provided to my electronic return originator (ERO), transmitter, or intermediate service provider and the amounts in Part I above agree with the amounts on the corresponding lines of the corporation's 2019 California income tax return. To the best of my knowledge and belief, the corporation's return is true, correct, and complete. If the corporation is filing a balance due return, I understand that if the Franchise Tax Board (FTB) does not receive full and timely payment of the corporation's tax liability, the corporation will remain liable for the tax liability and all applicable interest and penalties. I authorize the corporation return and accompanying schedules and statements be transmitted to the FTB by the ERO, transmitter, or intermediate service provider. If the processing of the corporation's return or refund is delayed, I authorize the FTB to disclose to the ERO or intermediate service provider the reason(s) for the delay or the date when the refund was sent.

Sign Here

Signature of officer

Date

PRESIDENT

Title

Part VI Declaration of Electronic Return Originator (ERO) and Paid Preparer. See instructions.

I declare that I have reviewed the above corporation's return and that the entries on form FTB 8453-C are complete and correct to the best of my knowledge. (If I am only an intermediate service provider, I understand that I am not responsible for reviewing the corporation's return. I declare, however, that form FTB 8453-C accurately reflects the data on the return.) I have obtained the corporate officer's signature on form FTB 8453-C before transmitting this return to the FTB; I have provided the corporate officer with a copy of all forms and information that I will file with the FTB, and I have followed all other requirements described in FTB Pub. 1345, 2019 Handbook for Authorized e-file Providers. I will keep form FTB 8453-C on file for four years from the due date of the return or four years from the date the corporation return is filed, whichever is later, and I will make a copy available to the FTB upon request. If I am also the paid preparer, under penalties of perjury, I declare that I have examined the above corporation's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

ERO Must Sign	ERO's signature	SOPHIA YANG	Date	Check if also paid preparer	<input checked="" type="checkbox"/>	Check if self-employed	<input type="checkbox"/>	ERO's PTIN	
	Firm's name (or yours if self-employed) and address	SOPHIA M.C. YANG & CO., CPA			Firm's FEIN				
		17534 VON KARMAN AVE.			ZIP code		92614		
		IRVINE, CA							

Under penalties of perjury, I declare that I have examined the above corporation's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

Paid Preparer Must Sign	Paid preparer's signature		Date	Check if self-employed	<input type="checkbox"/>	Paid preparer's PTIN	
	Firm's name (or yours if self-employed) and address				Firm's FEIN		
					ZIP code		

TAXABLE YEAR **2019** **California Corporation**
Franchise or Income Tax Return

FORM
100

RP

4528062 HEAR 45-5252765 000000000000 19
TYB 01-01-2019 TYE 12-31-2019
HEARTWISE INCORPORATED

2973 HARBOR BLVD 472
COSTA MESA CA 92626

Schedule Q Questions (continued on Page 2)

- A FINAL RETURN?** • ☐ Dissolved ☐ Surrendered (withdrawn) ☐ Merged/Reorganized ☐ IRC Section 338 sale ☐ QSub election
Enter date (mm/dd/yyyy) •
- B 1** Is income included in a combined report of a unitary group? • ☐ Yes ☒ No
If "Yes," indicate: ☐ Wholly within CA (R&TC 25101.15)
☐ Within and outside of CA
- 2** Is there a change in the members listed in Schedule R-7 from the prior year? • ☐ Yes ☐ No
- 3** Enter the number of members (including parent or key corporation) listed in the Schedule R-7, Part I, Section A, subject to income or franchise tax •
- 4** Is form FTB 3544 attached to the return? • ☐ Yes ☒ No
- C 1** During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this corporation or any of its subsidiaries that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? • ☐ Yes ☒ No
- 2** During this taxable year, did this corporation or any of its subsidiaries acquire control or majority ownership (more than a 50% interest) in another legal entity that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? • ☐ Yes ☒ No
- 3** During this taxable year, has more than 50% of the voting stock of this corporation cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax reassessment under R&TC Section 62(a)(2) and it was not reported on a previous year's tax return? • ☐ Yes ☒ No
(Yes requires filing of statement, penalties may apply – see instructions.)

STATE ADJUSTMENTS	1	Net income (loss) before state adjustments. See instructions.....	•	1	1,536,719.
	2	Amount deducted for foreign or domestic tax based on income or profits from Schedule A.....	•	2	
	3	Amount deducted for tax under the provisions of the Corporation Tax Law from Schedule A.....	•	3	
	4	Interest on government obligations.....	•	4	
	5	Net California capital gain from Page 6, Schedule D, line 11.....	•	5	
	6	Depreciation and amortization in excess of amount allowed under California law. Attach form FTB 3885.....	•	6	
	7	Net income from corporations not included in federal consolidated return. See instructions.....	•	7	
	8	Other additions. Attach schedule(s).....	•	8	
	9	Total. Add line 1 through line 8.....	•	9	1,536,719.

HEARTWISE INCORPORATED 4528062

STATE ADJUSTMENTS	10	Intercompany dividend elimination. Attach Schedule H (100).	10			
	11	Dividends received deduction. Attach Schedule H (100).	11			
	12	Additional depreciation allowed under CA law. Attach form FTB 3885.	12			
	13	Capital gain from federal Form 1120, line 8.	13			
	14	Charitable Contributions.	14			
	15	Other deductions. Attach schedule(s).	15			
	16	Total. Add line 10 through line 15.	16			
INCOME	17	Net income (loss) after state adjustments. Subtract line 16 from Page 1, line 9.	17		1,536,719.	
	18	Net income (loss) for state purposes. Complete Schedule R if apportioning or allocating income. See instructions.	18		1,536,719.	
	19	Net operating loss (NOL) deduction. See instructions.	19			
	20	EZ, LARZ, TTA, or LAMBRA NOL carryover deduction. See instructions.	20			
	21	Disaster loss deduction. See instructions.	21			
TAXES	22	Net income for tax purposes. Combine line 19 through line 21. Then, subtract from line 18.	22		1,536,719.	
	23	Tax. <u>8.84</u> % x line 22 (at least minimum franchise tax, if applicable). See instructions.	23		135,846.	
	24	Credit name _____ code _____ amount _____	24			
	25	Credit name _____ code _____ amount _____	25			
	26	To claim more than two credits, see instructions.	26			
	27	Add line 24 through line 26.	27			
	28	Balance. Subtract line 27 from line 23 (at least minimum franchise tax, if applicable).	28		135,846.	
	29	Alternative minimum tax. Attach Schedule P (100). See instructions.	29			
	30	Total tax. Add line 28 and line 29.	30		135,846.	
	PAYMENTS	31	Overpayment from prior year allowed as a credit.	31		800.
32		2019 Estimated tax payments. See instructions.	32			
33		2019 Withholding (Form 592-B and/or 593). See instructions.	33			
34		Amount paid with extension of time to file tax return.	34		105,000.	
35		Total payments. Add line 31 through line 34.	35		105,800.	
AMOUNT DUE OR REFUND	36	Use tax. This is not a total line. See instructions.	36			
	37	Payments balance. If line 35 is more than line 36, subtract line 36 from line 35.	37		105,800.	
	38	Use tax balance. If line 36 is more than line 35, subtract line 35 from line 36.	38			
	39	Franchise or income tax due. If line 30 is more than line 37, subtract line 37 from line 30.	39		30,046.	
	40	Overpayment. If line 37 is more than line 30, subtract line 30 from line 37.	40			
	41	Amount of line 40 to be credited to 2020 estimated tax.	41			
	42	Refund. Subtract line 41 from line 40. See instructions to have the refund directly deposited.	42			
	42a	Routing number	42b	Type	42c	Account number
	43a	Penalties and interest.	43a		4,870.	
	44	Total amount due. Add line 38, line 39, line 41, and line 43a. Then, subtract line 40 from the result.	44		34,916.	

Schedule Q Questions (continued from Page 1)

- D If the corporation filed on a water's-edge basis pursuant to R&TC Sections 25110 and 25113 in previous years, enter the date the water's-edge election ended. (mm/dd/yyyy) • _____
- E Was the corporation's income included in a consolidated federal return? • ☐ Yes ☒ No
- F Principal business activity code. (Do not leave blank): • 454110
- Business activity MAIL ORDER SALES
- Product or service HEALTH PRODUCTS

Schedule Q Questions (continued on Page 3)

HEARTWISE INCORPORATED 4528062

G	Date incorporated (mm/dd/yyyy): <u>5/10/2012</u>	Where: • State <u>CA</u> Country _____	
H	Date business began in California or date income was first derived from California sources: (mm/dd/yyyy) • <u>5/10/2012</u>		
I	First return? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes" and this corporation is a successor to a previously existing business, check the appropriate box. • (1) <input type="checkbox"/> Sole proprietorship (2) <input type="checkbox"/> Partnership (3) <input type="checkbox"/> Joint venture (4) <input type="checkbox"/> Corporation (5) <input type="checkbox"/> Other (Attach statement showing name, address, and FEIN/SSN/ITIN of previous business.)		
J	"Doing business as" name. See instructions: ... • _____		
K	At any time during the taxable year, was more than 50% of the voting stock:		
	1 Of the corporation owned by any single interest?	• <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	2 Of another corporation owned by this corporation?	• <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	3 Of this and one or more other corporations owned or controlled, directly or indirectly, by the same interests?	• <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If 1 or 3 is "Yes," enter the country of the ultimate parent • <u>US</u> If 1, 2, or 3 is "Yes," furnish a statement of ownership indicating pertinent names, addresses, and percentages of stock owned. If the owner(s) is an individual, provide the SSN/ITIN and see FTB 1131, for more information. SEE STMT 1		
L	Has the corporation included a reportable transaction or listed transaction within this return? (See instructions for definitions) • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," complete and attach federal Form 8886 for each transaction.		
M	Is this corporation apportioning or allocating income to California using Schedule R? • <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
N	How many affiliates in the combined report are claiming immunity from taxation in California under Public Law 86-272? • _____		
O	Corporation headquarters are: ... • (1) <input checked="" type="checkbox"/> Within California (2) <input type="checkbox"/> Outside of California, within the U.S. (3) <input type="checkbox"/> Outside of the U.S.		
P	Location of principal accounting records <u>2973 HARBOR BLVD #472 COSTA MESA, CA 92626</u>		
Q	Accounting method: • (1) <input type="checkbox"/> Cash (2) <input checked="" type="checkbox"/> Accrual (3) <input type="checkbox"/> Other		
R	Does this corporation or any of its subsidiaries have a Deferred Intercompany Stock Account (DISA)? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," enter the total balance of all DISAs • \$ _____		
S	Is this corporation or any of its subsidiaries a RIC? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
T	Is this corporation treated as a REMIC for California purposes? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
U	Is this corporation a REIT for California purposes? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
V	Is this corporation an LLC or limited partnership electing to be taxed as a corporation for federal purposes? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes", enter the effective date of the election (mm/dd/yyyy):		
W	Is this corporation to be treated as a credit union? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
X	Is the corporation under audit by the IRS or has it been audited by the IRS in a prior year? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Y	Have all required information returns (e.g. federal Forms 1099, 5471, 5472, 8300, 8865, etc.) been filed with the Franchise Tax Board? <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No		
Z	Does the taxpayer (or any corporation of the taxpayer's combined group, if applicable) own 80% or more of the stock of an insurance company? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
AA	Did the corporation file the federal Schedule UTP (Form 1120)? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
BB	Does any member of the combined report own an SMLLC or generate/claim credits that are attributable to an SMLLC? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
CC	1 Did this corporation, or any corporation in a combined reporting group, receive any qualified health care service plan income that is excluded from gross income for state purposes (R&TC Section 24330)? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 2 Is this corporation's, or any corporation in a combined reporting group's, only source of income qualified health care service plan income that is excluded from gross income under R&TC Section 24330 for the taxable year? • <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	Signature of officer	Title <u>PRESIDENT</u>	Date _____ Telephone (714) 352-3132
Paid Preparer's Use Only	Officer's email address (optional) _____		
	Preparer's signature	Date _____	Check if self-employed <input type="checkbox"/> PTIN [redacted]
	Firm's name (or yours, if self-employed) and address <u>SOPHIA M.C. YANG & CO., CPA</u> <u>17534 VON KARMAN AVE.</u> <u>IRVINE, CA 92614</u>		Firm's FEIN [redacted] Telephone 949-651-8080
	May the FTB discuss this return with the preparer shown above? See instructions • <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Schedule A Taxes Deducted. Use additional sheet(s) if necessary.

Total. Enter total of column (c) on Schedule F, line 17, and total of column (d) on Page 1, line 2 or line 3. If the corporation uses California computation method to compute the net income, see instructions

I N C O M E	1	a Gross receipts or gross sales.....	13,479,500.		
		b Less returns and allowance.....	431,107.	c Balance.....	1c 13,048,393.
	2	Cost of goods sold. Attach federal Form 1125-A (California Schedule V).....			2 6,295,802.
	3	Gross profit. Subtract line 2 from line 1c.....			3 6,752,591.
	4	Total dividends. Attach federal Schedule C, (California Schedule H (100)).....			4
	5	a Interest on obligations of the United States and U.S. instrumentalities.....			5a
		b Other interest. Attach schedule.....	SEE STATEMENT 2		5b 150.
	6	Gross rents.....			6
	7	Gross royalties.....			7
	8	Capital gain net income. Attach federal Schedule D (California Schedule D).....			8
	9	Ordinary gain (loss). Attach federal Form 4797 (California Schedule D-1).....			9
10	Other income (loss). Attach schedule.....	SEE STATEMENT 3		10 979.	
11	Total income. Add line 3 through line 10.....			11 6,753,720.	

DEDUCTIONS

12	Compensation of officers. Attach federal Form 1125-E or equivalent schedule. STM 4	12	177,479.
13	Salaries and wages (not deducted elsewhere)	13	263,800.
14	Repairs and maintenance	14	
15	Bad debts	15	52,142.
16	Rents	16	5,388.
17	Taxes (California Schedule A). See instructions.	17	38,523.
18	Interest. Attach schedule	18	490.
19	Charitable Contributions. Attach schedule.	19	
20	Depreciation. Attach federal Form 4562 and FTB 3885 ...	20	
21	Less depreciation claimed elsewhere on return.	21a	
		21b	
22	Depletion. Attach schedule.	22	
23	Advertising	23	816,774.
24	Pension, profit-sharing plans, etc.	24	
25	Employee benefit plans	25	
26a	Total travel and entertainment. 1,982.		
	b Deductible amounts	26b	991.
27	Other deductions. Attach schedule. STATEMENT 5	27	3,861,414.
28	Specific deduction for organizations under R&TC Section 23701r or 23701t. See instructions.	28	
29	Total deductions. Add line 12 through line 28	29	5,217,001.
30	Net income before state adjustments. Subtract line 29 from line 11. Enter here and on Page 1, line 1	30	1,536,719.

1	LIFO recapture due to S corporation election, IRC Sec. 1363(d) deferral: \$	1
2	Interest computed under the look-back method for completed long-term contracts (Attach form FTB 3834).	2
3	Interest on tax attributable to installment: a Sales of certain timeshares and residential lots.	3a
	b Method for nondealer installment obligations.	3b
4	IRC Section 197(f)(9)(B)(ii) election.	4
5	Credit recapture name:	5
6	Combine line 1 through line 5, revise Page 2, line 39 or line 40, whichever applies, by this amount. Write "Schedule J" to the left of line 39 or line 40.	6

HEARTWISE INCORPORATED 4528062

Schedule V Cost of Goods Sold

1	Inventory at beginning of year	1	2,593,183.
2	Purchases	2	6,314,435.
3	Cost of labor	3	
4a	Additional IRC Section 263A costs. Attach schedule	4a	
b	Other costs. Attach schedule	4b	79,482.
5	Total. Add line 1 through line 4b	5	8,987,100.
6	Inventory at end of year	6	2,691,298.
7	Cost of goods sold. Subtract line 6 from line 5. Enter here and on Page 4, Schedule F, line 2	7	6,295,802.

Method of inventory valuation ► COSTWas there any change in determining quantities, costs of valuations between opening and closing inventory? ☐ Yes ☒ No
If "Yes," attach an explanation.

Enter California seller's permit number, if any. ►

Check if the LIFO inventory method was adopted this taxable year for any goods. If checked, attach federal Form 970. ☐

If the LIFO inventory method was used for this taxable year, enter the amount of closing inventory under LIFO.

Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to the corporation? ☐ Yes ☒ No**The corporation may not be required to complete Schedules L, M-1, and M-2. See Schedule M-1 instructions for reporting requirements.**

Schedule L Balance Sheet		Beginning of taxable year		End of taxable year	
Assets		(a)	(b)	(c)	(d)
1	Cash		787,541.		1,316,685.
2a	Trade notes and accounts receivable	1,324,262.		799,031.	
b	Less allowance for bad debts		1,324,262.		799,031.
3	Inventories		2,593,183.		2,691,298.
4	Federal and state government obligations				
5	Other current assets. Attach schedule(s)	SEE STM 7	34,915.		37,510.
6	Loans to stockholders/officers. Attach schedule	SEE STM 8	3,375,346.		3,485,346.
7	Mortgage and real estate loans				
8	Other investments. Attach schedule(s)				
9a	Buildings and other fixed depreciable assets	218,825.		218,825.	
b	Less accumulated depreciation	218,825.		218,825.	
10a	Depletable assets				
b	Less accumulated depletion				
11	Land (net of any amortization)				
12a	Intangible assets (amortizable only)	12,250.		12,250.	
b	Less accumulated amortization	5,174.	7,076.	5,991.	6,259.
13	Other assets. Attach schedule(s)	SEE STM 9			10,267.
14	Total assets		8,122,323.		8,346,396.
Liabilities and Stockholders' Equity					
15	Accounts payable		1,182,520.		391,097.
16	Mortgages, notes, bonds payable in less than 1 year				
17	Other current liabilities. Attach schedule(s)	SEE STM 10	57,699.		493,639.
18	Loans from stockholders. Attach schedule(s)				
19	Mortgages, notes, bonds payable in 1 year or more				
20	Other liabilities. Attach schedule(s)				
21	Capital stock: a Preferred stock				
b	Common stock	998,603.	998,603.	998,603.	998,603.
22	Paid-in or capital surplus. Attach reconciliation.		6,026,000.		6,026,000.
23	Retained earnings — Appropriated. Attach schedule				
24	Retained earnings — Unappropriated		-142,499.		437,057.
25	Adjustments to shareholders' equity. Att sch.				
26	Less cost of treasury stock				
27	Total liabilities and stockholders' equity		8,122,323.		8,346,396.

HEARTWISE INCORPORATED 4528062

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return.
If the corporation completed federal Schedule M-3 (Form 1120/1120-F), see instructions.

1	Net income per books.....	1,089,760.	7	Income recorded on books this year not included in this return (itemize)	
2	Federal income tax.....	292,835.	a	Tax-exempt interest \$	
3	Excess of capital losses over capital gains.....		b	Other..... \$	
4	Taxable income not recorded on books this year (itemize).....		c	Total. Add line 7a and line 7b.....	
5	Expenses recorded on books this year not deducted in this return (itemize)		8	Deductions in this return not charged against book income this year (itemize)	
a	Depreciation..... \$		a	Depreciation..... \$	
b	State taxes..... \$	135,996.	b	State tax refunds... \$	
c	Travel and entertainment..... \$	991.	c	Other..... \$	
d	Other STATEMENT 11..... \$	17,137.	d	Total. Add line 8a through line 8c.....	
e	Total. Add line 5a through line 5d.....	154,124.	9	Total. Add line 7c and line 8d.....	0.
6	Total. Add line 1 through line 5e.....	1,536,719.	10	Net income per return. Subtract line 9 from line 6.....	1,536,719.

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Side 5, Schedule L, line 24)

1	Balance at beginning of year.....	-142,499.	5	Distributions:	a	Cash.....	510,204.
2	Net income per books.....	1,089,760.			b	Stock.....	
3	Other increases (itemize).....				c	Property.....	
			6	Other decreases (itemize).....			
			7	Total. Add line 5 and line 6.....			510,204.
4	Total. Add line 1 through line 3.....	947,261.	8	Balance at end of year. Subtract line 7 from line 4.....			437,057.

Schedule D California Capital Gains and Losses**Part I Short-Term Capital Gains and Losses — Assets Held One Year or Less.** Use additional sheet(s) if necessary.

(a) Kind of property and description (Example, 100 shares of Z Co.)	(b) Date acquired (mm/dd/yyyy)	(c) Date sold (mm/dd/yyyy)	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) Gain (loss) (d) less (e)
1					
2	Short-term capital gain from installment sales from form FTB 3805E, line 26 or line 37.....				2
3	Unused capital loss carryover from 2018.....				3
4	Net short-term capital gain (loss). Combine line 1 through line 3.....				4

Part II Long-Term Capital Gains and Losses — Assets Held More Than One Year. Use additional sheet(s) if necessary.

5					
6	Enter gain from Schedule D-1, line 9 and/or any capital gain distributions.....				6
7	Long-term capital gain from installment sales from form FTB 3805E, line 26 or line 37.....				7
8	Net long-term capital gain (loss). Combine line 5 through line 7.....				8
9	Enter excess of net short-term capital gain (line 4) over net long-term capital loss (line 8).....				9
10	Net capital gain. Enter excess of net long-term capital gain (line 8) over net short-term capital loss (line 4)....				10
11	Total lines 9 and 10. Enter here and on Form 100, Page 1, line 5. If losses exceed gains, carry forward losses to 2020.....				11

TAXABLE YEAR

CALIFORNIA SCHEDULE

2019**Apportionment and Allocation of Income****R**

Attach this schedule behind the California tax return and prior to the supporting schedules.

For calendar year 2019 or fiscal year beginning month (mm/dd/yyyy) , and ending (mm/dd/yyyy)

Name as shown on your California tax return.

SSN, ITIN, FEIN, CA corp no., or CA SOS file no.

HEARTWISE INCORPORATED**4528062****Water's-Edge Filers Only:** If controlled foreign corporations are included in the combined report, attach form FTB 2416.**Complete Schedule R (Page 1 and Page 2) and all applicable Schedules (R-1 through R-7). See General Information for Schedule R.**

1 a Net income (loss) after state adjustments from Form 100 or Form 100W, Page 2, line 17; Form 100S, Page 2, line 14; Form 100X, line 4. Form 565 and Form 568 filers: Enter the total of line 1 through line 11c from Schedule K (565 or 568) less the total of line 12 through line 13e from Schedule K (565 or 568).	1a	1,536,719.
b Water's-edge foreign investment interest offset from form FTB 2424, line 17.	1b	
c Total. Combine line 1a and line 1b.	1c	1,536,719.

Nonbusiness Income (Loss) from All Sources. See General Information A for definitions and examples.

2 Dividends included on line 1a and not deducted on Form 100, Page 2, line 11; Form 100W, Page 2, lines 11a/b; or Form 100S, Page 2, lines 9 and 10.	2	
3 Interest. Attach schedule.	3	
4 Net income (loss) from the rental of property from Schedule R-3, line 3, column (c).	4	
5 Royalties. Attach schedule.	5	
6 Gain (loss) from the sale of assets from Schedule R-4, line 2, column (e).	6	
7 Gain (loss) from sale of a nonbusiness interest in a partnership or LLC. Attach schedule.	7	
8 Miscellaneous nonbusiness income (loss). Attach schedule.	8	
9 Total nonbusiness income (loss). Combine line 2 through line 8.	9	

Business Income (Loss) before Apportionment (subject to a separate apportionment formula)

10 Nonunitary partnership or LLC business income (loss).	10	
11 Income (loss) from a separate trade or business. Attach supplemental Schedule R.	11	
12 Business income (loss) deferred from prior years. See General Information L.	12	
13 Capital gain (loss) netting subject to separate apportionment. See General Information M.	13	
14 Total separately apportionable business income (loss). Combine line 10 through line 13.	14	
15 Total business income (loss) subject to apportionment for this trade or business, subtract the sum of line 9 and line 14 from line 1c.	15	1,536,719.
16 Interest offset from Schedule R-5, line 7 or line 16 (California domiciliaries only).	16	
17 Business income (loss) for this trade or business subject to apportionment. Combine line 15 and line 16.	17	1,536,719.
18a Apportionment percentage from Schedule R-1, Part A, line 2 or Part B, line 5.	18a	100.0000 %
b Business income (loss) apportioned to California. Multiply line 17 by line 18a.	18b	1,536,719.

Nonbusiness Income (Loss) Allocable to California. If no income (loss) is allocable to California, do not complete line 19 through line 26, enter -0- on line 27 and go to Page 2, line 28.

19 Dividends and interest income (if taxpayer's commercial domicile is in California):		
a Dividends included in line 2 above.	19a	
b Interest included in line 3 above.	19b	
20 Net income (loss) from the rental of property within California from Schedule R-3, line 3, column (b).	20	
21 Royalties. Attach schedule.	21	
22 Gain (loss) from the sale of assets within California from Schedule R-4, line 2, total of column (b) and column (d). Combined reporting groups, see General Information M.	22	
23 Gain (loss) from sale of a nonbusiness interest in a partnership or LLC. Attach schedule.	23	
24 Miscellaneous nonbusiness income (loss). Attach schedule.	24	
25 Total nonbusiness income (loss) allocable to California. Combine line 19a through line 24.	25	
26 Interest offset from line 16 allocated to income included on line 19a and line 19b (California domiciliary only). See General Information J.	26	
27 Net nonbusiness income (loss) allocable to California. Subtract line 26 from line 25.	27	0.

Name as shown on your California tax return.		SSN, ITIN, FEIN, CA corp no., or CA SOS file no.	
HEARTWISE INCORPORATED		4528062	
California Business Income (Loss) subject to a separate apportionment formula.			
28 California business income (loss) from a nonunitary partnership or LLC	● 28		
29 California income (loss) from a separate trade or business. Attach supplemental schedule R.....	● 29		
30 California business income (loss) deferred from prior years. See General Information L	● 30		
31 Total business income (loss) separately apportioned to California. Combine line 28 through line 30.....	● 31		
Net Income (Loss) for California Purpose			
32 Post-apportioned and allocated amounts from capital gain (loss) netting. See General Information M.	● 32		
33 Net income (loss) for California purposes before contributions adjustment. Combine lines 18b, 27, 31, and 32.....	● 33	1,536,719.	
34 Contributions adjustment from Schedule R-6, line 15.....	● 34		
35 Net income (loss) for California purposes. Combine line 33 and line 34. Enter here and on Form 100 or Form 100W, Page 2, line 18 or Form 100S, Page 2, line 15.....	● 35	1,536,719.	

**Complete the applicable
Schedules R-1 through R-7,
starting on Page 3.**

Name as shown on your California tax return.

SSN, ITIN, FEIN, CA corp no., or CA SOS file no.

HEARTWISE INCORPORATED

45280 62

Schedule R-1 Apportionment Formula.

Part A Standard Method – Single-Sales Factor Formula. Complete this part only if the corporation uses the single-sales factor formula.

See General Information G and Specific Instructions.	(a) Total within and outside California	(b) Total within California	(c) Percent within California [(b)÷(a)] x 100
1 Sales: Gross receipts, less returns, and allowances.....	13,048,393.		
a Sales delivered or shipped to California purchasers.			
(i) Shipped from outside California.....			
(ii) Shipped from within California.....		13,048,393.	
b Sales shipped from California to:			
(i) The United States Government.....		•	
(ii) Purchasers in a state where the taxpayer is not taxable.....		•	
c Total other gross receipts.....	• 1,129.		
(i) Sales from services.....		•	
(ii) Sales or other income from intangibles.....		• 150.	
(iii) Sales from rental, leasing or licensing of tangible or real property.....		•	
(iv) Sales from other gross receipts.....		• 979.	
d Sales from partnerships or LLCs treated as partnerships.....	•	•	
Total sales.	• 13,049,522.	• 13,049,522.	
2 Apportionment percentage. Divide total sales column (b) by total sales column (a) and multiply the result by 100. Enter the result here and on Schedule R, Page 1, line 18a. See General Information H.....			• 100.0000 %

Part B Three-Factor Formula. Complete this part only if the corporation uses the three-factor formula.

	(a) Total within and outside California	(b) Total within California	(c) Percent within California [(b)÷(a)] x 100	
1 Property: Use the average yearly value of owned real and tangible personal property used in the business at original cost. See General Information E. Exclude property not connected with the business and the value of construction in progress.				
Inventory.....				
Buildings.....				
Machinery and equipment (including delivery equipment).....				
Furniture and fixtures.....				
Land.....				
Other tangible assets.				
Attach schedule.....				
Rented property used in the business. See General Information E.....				
Total property.	•	•		• %
2 Payroll: Use employee wages, salaries, commissions, and other compensation related to business income. See General Information F.				
Total payroll.	•	•		• %
3 Sales: Gross receipts, less returns, and allowances. See General Information G and Specific Instructions.....				
a Sales delivered or shipped to California purchasers.				
(i) Shipped from outside California.....				
(ii) Shipped from within California.....				
b Sales shipped from California to:				
(i) The United States Government.....				
(ii) Purchasers in a state where the taxpayer is not taxable.....				
c Total other gross receipts.....	•	•		
Total sales.	•	•		• %
4 Total percent. Add the percentages in column (c).....				• %
5 Apportionment percentage. Divide line 4 by 3, enter the result here and on Schedule R, Page 1, line 18a. See General Information H.....			• %	

Name as shown on your California tax return.

SSN, ITIN, FEIN, CA corp no., or CA SOS file no.

HEARTWISE INCORPORATED

4528062

Schedule R-2 Sales and General Questionnaire. Attach additional sheets if necessary.

- 1 Describe briefly the nature and location(s) of the California business activities. MAIL ORDER SALES, 2973 HARBOR BLVD 472, COSTA MESA, CA 92626
- 2 State the exact title and principal business activity of all joint ventures, partnerships, or LLCs in which the corporation has an interest: _____
- 3 Does the California sales figure on Schedule R-1 (or a comparable schedule in a combined report) include all sales shipped from California where the purchaser is the U.S. Government?
☐ Yes ☐ No If "No," explain. N/A
- 4 Does the California sales figure on Schedule R-1 (or a comparable schedule in a combined report) include all sales shipped from California to states in which the taxpayer is not subject to tax? See General Information G and Specific Instructions.
☐ Yes ☐ No If "No," explain. N/A
- 5 a) Did the taxpayer use reasonable approximation to assign sales under Schedule R-1, Part A, line 1c (i)-(iv)?... ☐ Yes ☒ No
If "Yes," provide a brief description. _____
b) Did the taxpayer change reasonable approximation method to assign sales from the last tax return filed? See Specific Instructions..... ☐ Yes ☒ No
If "Yes," provide a brief description of the new method. _____
- 6 Are the nonbusiness items reported on Schedule R, Page 1, line 2 through line 8, and the apportionment factor items reported on Schedule R-1 treated consistently on all state tax returns filed by the taxpayer?
☒ Yes ☐ No If "No," explain. _____
- 7 Has this corporation or any member of its combined unitary group changed the way income is apportioned or allocated to California from prior year tax returns? See General Information I.
☐ Yes ☒ No If "Yes," explain. _____
- 8 Does the California sales figure on Schedule R-1 (or comparable schedule in a combined report) include all sales shipped to California destinations?
☒ Yes ☐ No If "No," indicate the name of the selling member and the nature of the sales activity believed to be immune. _____
- 9 Does the California sales figure on Schedule R-1 (or comparable schedule in a combined report) include all sales delivered to customers outside California which have an ultimate destination in California?
☒ Yes ☐ No If "No," explain. _____

Schedule R-3 Net Income (Loss) from the Rental of Nonbusiness Property

	(a) Total outside California	(b) Total within California	(c) Total outside and within California (a) + (b)
1 Income from rents.....			
2 Rental deductions.....			
3 Net income (loss) from rents. Subtract line 2 from line 1. Enter the result here and enter column (c) on Page 1, line 4; enter column (b) on Page 1, line 20.....		⊙	⊙

Schedule R-4 Gain (Loss) from the Sale of Nonbusiness Assets

California sales of nonbusiness assets include transactions involving: (1) real property located in California; (2) tangible personal property, if it had a situs in California at the time of sale, or if the corporation is commercially domiciled in California and not taxable in the state where the property had a situs at the time of sale; and (3) intangible personal property if the corporation's commercial domicile is in California or the income is otherwise allocable to California.

Description of property sold	Real estate and other tangible assets		Intangible assets		Total
	(a) Gain (loss) from outside California	(b) Gain (loss) from within California	(c) Gain (loss) from outside California	(d) Gain (loss) from within California	(e) Gain (loss) (a) + (b) + (c) + (d)
1 _____	⊙	⊙	⊙	⊙	⊙
_____	⊙	⊙	⊙	⊙	⊙
_____	⊙	⊙	⊙	⊙	⊙
2 Total gain (loss).....	⊙	⊙	⊙	⊙	⊙

Enter total gain (loss) line 2, column (e) on Page 1, line 6 and enter total of line 2, columns (b) and (d) on Page 1, line 22

Name as shown on your California tax return.

SSN, ITIN, FEIN, CA corp. no., or CA SOS file no.

4528062

HEARTWISE INCORPORATED

Schedule R-5 Computation of Interest Offset. Complete only if there are entries on line 2 and/or line 3 of Schedule R and if Schedule R-1 is required. See General Information J. (California domiciliary only)

1	Total interest expense deducted.	1		
2	Water's-edge foreign investment interest offset from Page 1, line 1b.	2		
3	Balance. Subtract line 2 from line 1.	3		
4	Total interest income (Form 100 or Form 100W, Page 1, line 4 and Schedule F, line 5a and line 5b; or Form 100S, Page 1, line 3 and interest income included on Schedule F, line 5 or Schedule K, line 4).	4		
5	Nonbusiness interest income from Page 1, line 3.	5		
6	Business interest income. Subtract line 5 from line 4.	6		
7	Excess interest expense over business interest income. Subtract line 6 from line 3. If line 6 exceeds line 3, enter -0- here and on Page 1, line 16, and do not complete the rest of this schedule.	7		
8	Total dividend income.	8		
9	Deducted dividends from Form 100, Page 2, lines 10 and 11; Form 100W, Page 2, lines 10 and 11a/b; or Form 100S, Page 2, lines 9 and 10.	9		
10	Net dividend income. Subtract line 9 from line 8.	10		
11	Business dividend income.	11		
12	Deducted dividends from Form 100, Page 2, lines 10 and 11; Form 100W, Page 2, lines 10 and 11a/b; or Form 100S, Page 2, lines 9 and 10, attributable to business dividend income.	12		
13	Net business dividend income. Subtract line 12 from line 11.	13		
14	Net nonbusiness dividend income. Subtract line 13 from line 10.	14		
15	Total nonbusiness interest and dividend income. Add line 5 and line 14.	15		
16	Enter the lesser of line 7 or line 15. Enter here and on Page 1, line 16.	16		

If interest and/or dividend income is reported on Page 1, line 19a or line 19b, enter the allocable portion of Schedule R-5, line 16 on Page 1, line 26. See General Information J. If no interest or dividend income is reported on Page 1, line 19a or line 19b, **do not** deduct any interest expense on Page 1, line 26.

Schedule R-6 Contributions Adjustment. See General Information N.

1	Total contributions paid (current year and carryover amount).	1		
2	Net income (loss) after state adjustments from Side 1, line 1c.	2		
3	Portion of dividends deductible under R&TC Sections 24410 and 24411 (from Form 100, Page 2, line 11; Form 100W, lines 11a/b; or Form 100S, lines 9 and 10), and other adjustments. See General Information N.	3		
4	Contributions deducted on Form 100, Form 100W, or Form 100S.	4		
5	Total. Add line 2 through line 4. If zero or less, enter -0-.	5		
6	Multiply line 5 by 10% (.10).	6		
7	Net income (loss) for state purposes before contributions adjustment from Page 2, line 33.	7		
8	Business dividends deductible on line 3 multiplied by the average apportionment percentage from Schedule R-1, Part A, line 2 or Part B, line 5.	8		
9	Amount of line 3 attributable to nonbusiness dividends reported on Page 1, line 19a.	9		
10	Contributions deducted (from line 4 above) multiplied by the average apportionment percentage from Schedule R-1, Part A, line 2 or Part B, line 5.	10		
11	Total. Add line 7 through line 10. If zero or less, enter -0-.	11		
12	Multiply line 11 by 10% (.10).	12		
13	Enter the amount shown on line 10.	13		
14	Amount of contributions allowable:			
a	If line 1 equals or exceeds line 6, enter the lesser of line 1 or line 12.	14a		
b	If line 1 is less than line 6, divide line 11 by line 5. Then multiply line 1 by the result and enter here.	14b		
15	Contributions adjustment. Subtract line 14a or line 14b from line 13. Enter here and on Page 2, line 34. If the result is a negative amount, enter in brackets.	15		

TAXABLE YEAR

2019

Alternative Minimum Tax and
Credit Limitations – Corporations

CALIFORNIA SCHEDULE

P (100)

Attach to Form 100 or Form 109.

Corporation name

California corporation number

4528062

HEARTWISE INCORPORATED

Part I Tentative Minimum Tax (TMT) and Alternative Minimum Tax (AMT) Computation

- 1 Net income (loss) after state adjustments. Enter the amount from Form 100, line 17; Schedule R, line 1c; or Form 109, the lesser of line 1 or line 2. See instructions. ☒ 1 1,536,719.
- 2 Adjustments. See instructions.
- a Depreciation of tangible property placed in service after 1986. ☒ 2a -13,666.
- b Amortization of certified pollution control facilities placed in service after 1986. ☒ 2b
- c Amortization of mining exploration and development costs incurred after 1987. ☒ 2c
- d Basis adjustments in determining gain or loss from sale or exchange of property. ☒ 2d
- e Long-term contracts entered into after February 28, 1986. ☒ 2e
- f Installment sales of certain property. ☒ 2f
- g Tax shelter farm activities (personal service corporations only). ☒ 2g
- h Passive activities (closely held corporations and personal service corporations only). ☒ 2h
- i Certain loss limitations. ☒ 2i
- j Beneficiaries of estates and trusts. Enter the amount from Schedule K-1 (541), line 12a. ☒ 2j
- k Merchant marine capital construction funds. ☒ 2k
- l Combine line 2a through line 2k. ☒ 2l -13,666.
- 3 Tax preference items. See instructions.
- a Depletion. ☒ 3a
- b Intangible drilling costs. ☒ 3b
- c Add line 3a and line 3b. ☒ 3c
- 4 Pre-adjustment alternative minimum taxable income (AMTI):
- a Combine line 1, line 2l, and line 3c. ☒ 4a 1,523,053.
- b Apportioned pre-adjustment AMTI. If income is derived from sources both within and outside of California, see instructions. Otherwise, enter the amount from line 4a. ☒ 4b 1,523,053.
- 5 Adjusted current earnings (ACE) adjustment:
- a Enter ACE. See instructions. ☒ 5a 1,523,053.
- b Apportioned ACE. If income is derived from sources both within and outside of California, see instructions. Otherwise, enter the amount from line 5a. ☒ 5b 1,523,053.
- c Subtract line 4b from line 5b (even if one or both of the figures are negative). If negative, use brackets. ☒ 5c
- d Multiply line 5c by 75% (.75) and enter the result as a positive number. ☒ 5d
- e Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments. Enter an amount on line 5e (even if line 5c is positive). ☒ 5e 0.
- f ACE adjustment:
- If line 5c is a positive amount or zero, enter the amount from line 5d on line 5f as a positive amount.
 - If line 5c is a negative amount, enter the smaller of line 5d or line 5e on line 5f as a negative amount. ☒ 5f
- 6 Combine line 4b and line 5f. If zero or less, enter -0-. ☒ 6 1,523,053.
- 7a Reduction for disaster loss deduction, if any, from Form 100, line 21. ☒ 7a
- b AMT net operating loss deduction. See instructions. ☒ 7b
- c Combine line 7a and line 7b. ☒ 7c
- 8 AMTI. Subtract line 7c from line 6. ☒ 8 1,523,053.
- 9 Enter \$40,000 exemption. See instructions. ☒ 9 40,000.
- 10 Enter \$150,000 limitation. See instructions. ☒ 10 150,000.
- 11 Subtract line 10 from line 8. If zero or less, enter -0-. ☒ 11 1,373,053.
- 12 Multiply line 11 by 25% (.25). ☒ 12 343,263.
- 13 Exemption. Subtract line 12 from line 9. If zero or less, enter -0-. ☒ 13 0.
- 14 Subtract line 13 from line 8. If zero or less, enter -0-. ☒ 14 1,523,053.
- 15 Multiply line 14 by 6.65% (.0665). ☒ 15 101,283.
- 16 Banks and financial corps. Multiply Form 100, line 22, by 2.00% (.0200). See instructions. ☒ 16

HEARTWISE INCORPORATED 4528062

Part I Tentative Minimum Tax (TMT) and Alternative Minimum Tax (AMT) Computation (continued)

17	TMT. Add line 15 and line 16 from Page 1.	<input checked="" type="radio"/> 17	101,283.
18	Regular tax before credits. Enter the amount from Form 100, line 23 or Form 109, line 10. See instructions.	<input checked="" type="radio"/> 18	135,846.
19	AMT. Subtract line 18 from line 17. If zero or less, enter -0-. See instructions.	<input checked="" type="radio"/> 19	0.

Part II Credits that Reduce Tax. See instructions.

1	Regular tax from Form 100, line 23 or Form 109, line 10.	<input checked="" type="radio"/> 1	135,846.
2	TMT (before credits) from Part I, line 17 (but not less than the minimum franchise tax, if applicable).	<input checked="" type="radio"/> 2	

Section A — Credits that reduce excess regular tax.		(a) Credit amount	(b) Credit used this year	(c) Tax balance that may be offset by credits	(d) Credit carryover
3	Subtract line 2 from line 1. If zero or less, enter -0- and see instructions. This is the excess regular tax which may be offset by credits.			<input checked="" type="radio"/> 0.	
A1 Credits that reduce excess regular tax and have no carryover provisions.					
4	Code: 162 Prison Inmate Labor Credit.	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	
A2 Credits that reduce excess regular tax and have carryover provisions. See instructions.					
5	Code: <input checked="" type="radio"/> Credit Name:	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
6	Code: <input checked="" type="radio"/> Credit Name:	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
7	Code: <input checked="" type="radio"/> Credit Name:	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
8	Code: <input checked="" type="radio"/> Credit Name:	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
9	Code: 188 Credit for prior year AMT from Part III, line 3.	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Section B — Credits that may reduce regular tax below TMT.					
10	If Part II, line 3 is zero, enter the amount from line 1 minus the minimum franchise tax, if applicable. If line 3 is more than zero, enter the total of Part II, line 2, minus the minimum franchise tax, if applicable, plus line 9, column (c) or the last entry in column (c).			<input checked="" type="radio"/>	
B Credits that reduce net tax and have carryover provisions. See instructions.					
11	Code: <input checked="" type="radio"/> Credit Name:	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
12	Code: <input checked="" type="radio"/> Credit Name:	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
13	Code: <input checked="" type="radio"/> Credit Name:	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
14	Code: <input checked="" type="radio"/> Credit Name:	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Section C — Credits that may reduce AMT. See instructions.					
15	Enter the AMT from Part I, line 19.			<input checked="" type="radio"/>	
16a	Code: 180 Solar Energy Credit carryover from Section B, column (d).	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
16b	Code: 181 Commercial Solar Energy Credit carryover from Section B, column (d).	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
17	Code: 176 Enterprise Zone Hiring & Sales or Use Tax Credit carryover from Section B, column (d).	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
18	Adjusted AMT. Enter the balance from line 17, column (c) here and on Form 100, line 29 or Form 109, Page 1, line 13.			<input checked="" type="radio"/>	

Part III Credit for Prior Year AMT

1	Enter the AMT from the 2018 Schedule P (100). See instructions.	<input checked="" type="radio"/> 1	
2	Carryover of unused credit for prior year AMT. See instructions.	<input checked="" type="radio"/> 2	
3	Total available credit. Add line 1 and line 2. Enter here and on Part II, line 9, column (a).	<input checked="" type="radio"/> 3	

Form at bottom of page.

IF PAID ELECTRONICALLY: DO NOT FILE THIS FORM

WHERE TO FILE: Using black or blue ink, make check or money order payable to the "Franchise Tax Board." Write the California corporation number, FEIN, or CA SOS file number and "2019 FTB 3539" on the check or money order. Detach form below. Enclose, but **do not** staple, the payment with the form and mail to:

**FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0531**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

WHEN TO FILE: Calendar year C corporations – File and Pay by April 15, 2020
Calendar year S corporations – File and Pay by March 16, 2020
Calendar year exempt organizations – File and Pay by May 15, 2020
Employees' trust and IRA – File and Pay by April 15, 2020
Fiscal year filers – See instructions

When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

ONLINE SERVICES: Make payments online using Web Pay for Businesses. Corporations or exempt organizations can make an immediate payment or schedule payments up to a year in advance. Go to ftb.ca.gov/pay for more information.

----- DETACH HERE ----- IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM ----- DETACH HERE -----
CAUTION: You may be required to pay electronically, see instructions.

TAXABLE YEAR	Payment for Automatic Extension for Corporations and Exempt Organizations	CALIFORNIA FORM
2019		3539 (CORP)

4528062 HEAR 45-5252765 000000000000 19 FORM 1
TYB 01-01-2019 TYE 12-31-2019
HEARTWISE INCORPORATED

2973 HARBOR BLVD 472
COSTA MESA CA 92626

(714) 352-3132

AMOUNT OF PAYMENT 135046.

TAXABLE YEAR

CALIFORNIA FORM

2019**Corporation Depreciation and Amortization****3885**

Attach to Form 100 or Form 100W. FORM 100

Corporation name

California corporation number

HEARTWISE INCORPORATED

4528062

Part I Election To Expense Certain Property Under IRC Section 179

1	Maximum deduction under IRC Section 179 for California.	1	
2	Total cost of IRC Section 179 property placed in service.	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.	3	200,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0.
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-	5	0.
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.	9	
10	Carryover of disallowed deduction from prior taxable years.	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.	12	
13	Carryover of disallowed deduction to 2020. Add line 9 and line 10, less line 12.	13	

Part II Depreciation and Election of Additional First Year Depreciation Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).	16	0.
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.	17	0.
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 2, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.)	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC Section (see instr)	(f) Period or percentage	(g) Amortization for this year	
	WEBSITE/TRADEMARK	9/24/2012	12,250.	5,174.		15	817.	
20	Total. Add the amounts in column (g).						20	817.
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.						21	817.
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 2, line 12.						22	0.

TAXABLE YEAR

2019

**Underpayment of Estimated Tax
by Corporations**

CALIFORNIA FORM

5806

For calendar year 2019 or fiscal year beginning (mm/dd/yyyy) , and ending (mm/dd/yyyy)

Corporation name

California corporation number

HEARTWISE INCORPORATED

4528062

Part I Figure the Underpayment

1 Current year's tax. See instructions.				1	135,846.
	(a)	(b)	(c)	(d)	
2 Installment due dates. See instructions.	2	4/15/19	6/15/19	9/15/19	12/15/19
3 Percentage required. See instructions.	3	30%	70% less 1st	70% less prior	100% less prior
		(not less than min.)			
4 Amount due. See instructions	4	40,754.	54,338.		40,754.
5 a Amount paid or credited for each installment	5a	800.			
b Overpayment from previous installment. See instructions.	5b				
6 Add line 5a and line 5b	6	800.			
7 Underpayment (subtract line 6 from line 4). See instructions. Overpayment (subtract line 4 from line 6). If line 7 shows an underpayment for any installment, go to Part IV, Exceptions Worksheets.	7	39,954.	54,338.		40,754.

Part II Exceptions to the Penalty. See instructions. If Exception A, line 8a is met for all four installments, do not attach this form to the return. If Exception B or C is met, for any installment, attach form FTB 5806 to the back of Form 100, Form 100W, Form 100S or Form 109.

(check the applicable boxes)	Yes	No	Yes	No	Yes	No	Yes	No
8 a Exception A — Regular Corporations, line 26 met?	8a							
b Exception A — Large Corporations, line 30, met?	8b							
9 Exception B (line 42) met?	9							
10 Exception C (line 64) met?	10							

Part III Figure the Penalty. If line 7 shows an underpayment for any installment and none of the three exceptions is met, figure the penalty for that installment by completing line 11 through line 22.

11 Enter the earlier of the payment date, or the 15th day of the 3rd month after the close of the taxable year. Form 109 filers, see instructions.	11	3/15/20	3/15/20	3/15/20
12 Number of days from date shown on line 2 to date shown on line 11.	12	335	274	91
13 Number of days on line 12 before 7/01/19, or the payment date, whichever is earlier.	13	76	15	
14 Number of days on line 12 after 6/30/19 and before 1/01/20, or the payment date, whichever is earlier.	14	184	184	16
15 Number of days on line 12 after 12/31/19 and before 7/01/20, or the payment date, whichever is earlier. Calendar year corporations, see instructions.	15	75	75	75
16 For fiscal year corporations only. Number of days on line 12 after 6/30/20 and before 1/01/21. See instructions.	16			
17 For fiscal year corporations only. Number of days on line 12 after 12/31/20 and before 2/15/21. See instructions.	17			
18 Number of days on line 13 Number of days in taxable year x 5% x line 7.	18	415.96	111.65	
19 Number of days on line 14 Number of days in taxable year x 6% x line 7.	19	1,208.48	1,643.54	107.19
20 Number of days on line 15 Number of days in taxable year x 5% x line 7.	20	409.36	556.74	417.56
21 Number of days on line 16 Number of days in taxable year x % (see instrs) x ln 7.	21			
22 Number of days on line 17 Number of days in taxable year x % (see instrs) x ln 7.	22			
22 a Add amounts for each column from line 18 through line 22.	22a	2,033.8	2,311.93	524.75
22 b Total estimated penalty due. Add line 22a, column (a) through column (d). Enter here and on Form 100, line 43a; Form 100W, line 40a; Form 100S, line 42a; or Form 109, line 27.	22b			4,870.

2019

CALIFORNIA STATEMENTS

PAGE 1

HEARTWISE INCORPORATED

4528062

STATEMENT 1
FORM 100, SCHEDULE Q, QUESTION K
MORE THAN 50% OWNERS

QUESTION K(1) - OFFICERS OWNING MORE THAN 50% OF VOTING STOCK

NAME OF OFFICER : TUONG V. NGUYEN
ADDRESS :

SOCIAL SECURITY # :
COMMON STOCK % OWNED : 51

QUESTION K(1) - OTHERS OWNING MORE THAN 50% OF VOTING STOCK

NAME : EARNESTY, LLC
ADDRESS : 2973 HARBOR BLVD #472
COSTA MESA, CA 92626
ID NUMBER : 47-3676256
COMMON STOCK % OWNED : 51.00

STATEMENT 2
FORM 100, SCHEDULE F, LINE 5(B)
OTHER INTEREST

BANK ACCOUNT.....\$ 150.
TOTAL \$ 150.

STATEMENT 3
FORM 100, SCHEDULE F, LINE 10
OTHER INCOME

OTHER INCOME.....\$ 979.
TOTAL \$ 979.

STATEMENT 4
FORM 100, SCHEDULE F, LINE 12
OFFICER SCHEDULE

NAME OF OFFICER	SSN	% TIME DEVOTED TO BUSINESS	COMMON STOCK %	PREF'D STOCK %	COMPENSATION
TUONG V. NGUYEN		5.00	51.00	0.00	\$ 0.
DAVIDPAUL DOYLE		100.00	49.00	0.00	177,479.
ELAINE THU THAO LE		5.00	0.00	0.00	0.
				TOTAL	\$ 177,479.

2019

CALIFORNIA STATEMENTS

PAGE 2

HEARTWISE INCORPORATED

4528062

STATEMENT 5
FORM 100, SCHEDULE F, LINE 27
OTHER DEDUCTIONS

AMAZON VENDOR CHARGES.....	\$ 1,838,513.
AMORTIZATION.....	817.
AUTO AND TRUCK.....	169.
BANK CHARGES.....	62.
COMMISSIONS.....	1,500.
COMPUTER, INTERNET AND WEBSITE MAINTENAN.....	83,684.
DELIVERY AND FREIGHT.....	77,701.
DUES AND SUBSCRIPTIONS.....	3,458.
INSURANCE.....	71,597.
LABORTORY PRODUCT DEVELOPMENT FEES.....	7,570.
LEGAL AND PROFESSIONAL.....	350,037.
MANAGEMENT FEES.....	1,280,600.
MERCHANT FEES.....	9,710.
MISCELLANEOUS.....	1,014.
OFFICE EXPENSE.....	12,417.
OUTSIDE SERVICES.....	118,059.
PAYROLL PROCESSING FEES.....	851.
SUPPLIES.....	1,080.
TRAVEL.....	2,575.
TOTAL \$	<u>3,861,414.</u>

STATEMENT 6
FORM 100, SCHEDULE V, LINE 4(B)
OTHER COSTS

FREIGHT IN, CUSTOMS AND DUTIES.....	\$ 6,783.
SHIPPING AND PACKAGING MATERIALS.....	72,699.
TOTAL \$	<u>79,482.</u>

STATEMENT 7
FORM 100, SCHEDULE L, LINE 5
OTHER CURRENT ASSETS

	BEGINNING	ENDING
AMAZON RESERVED ACCOUNT.....	\$ 31,147.	\$ 5,964.
PREPAID INSURANCE.....	340.	31,546.
PREPAID RENT.....	3,428.	0.
TOTAL \$	<u>34,915.</u>	<u>37,510.</u>

STATEMENT 8
FORM 100, SCHEDULE L, LINE 6
LOANS TO STOCKHOLDERS/OFFICERS

	BEGINNING	ENDING
LOAN TO SHAREHOLDER.....	\$ 349,346.	\$ 459,346.
STOCK SUBSCRIPTION RECEIVABLE.....	3,026,000.	3,026,000.
TOTAL \$	<u>3,375,346.</u>	<u>3,485,346.</u>

2019

CALIFORNIA STATEMENTS

PAGE 3

HEARTWISE INCORPORATED

4528062

STATEMENT 9
FORM 100, SCHEDULE L, LINE 13
OTHER ASSETS

	BEGINNING	ENDING
OTHER ASSETS.....	\$ 0.	\$ 10,267.
TOTAL	\$ 0.	\$ 10,267.

STATEMENT 10
FORM 100, SCHEDULE L, LINE 17
OTHER CURRENT LIABILITIES

	BEGINNING	ENDING
ACCRUED EXPENSES.....	\$ 0.	\$ 2,736.
CREDIT CARD PAYABLE.....	54,885.	48,465.
FEDERAL TAX PAYABLE.....	0.	303,095.
PAYROLL TAX PAYABLE.....	14.	53.
REFUNDS PAYABLE.....	0.	-626.
STATE TAX PAYABLE.....	2,800.	139,916.
TOTAL	\$ 57,699.	\$ 493,639.

STATEMENT 11
FORM 100, SCHEDULE M-1, LINE 5
BOOK EXPENSES NOT DEDUCTED

FEDERAL UNDERPAYMENT PENALTY.....	\$ 10,260.
NONDEDUCTIBLE.....	2,000.
PENALTIES.....	7.
STATE UNDERPAYMENT PENALTY.....	4,870.
TOTAL	\$ 17,137.

2019 TAX RETURN

OREGON CORPORATION

Client: 70350750

Prepared for: HEARTWISE INCORPORATED
2973 HARBOR BLVD. #472
COSTA MESA, CA 92626
(714) 352-3132

Prepared by: SOPHIA YANG
SOPHIA M.C. YANG & CO., CPA
17534 VON KARMAN AVE.
IRVINE, CA 92614
949-651-8080

Date: SEPTEMBER 30, 2020

Comments:

Route to: _____

2019 Form OR-20

Page 1 of 3, 150-102-020
(Rev. 08-14-19 ver.01)

Oregon Department of Revenue



02581901011032

Office use only

Oregon Corporation Excise Tax Return

Submit original form—do not submit photocopy

- Fiscal year beginning
- Fiscal year ending

Space for 2-D barcode—do not write in box below

See instructions for checkboxes.

- ☐ New name
- ☐ New address
- ☐ OR-FCG-20
- ☒ Extension
- ☐ Form OR-37
- ☐ REIT/RIC
- ☐ Amended
- ☐ Form OR-24
- ☐ IC-DISC
- ☐ Ag co-op
- ☐ Federal Form 8886
- ☐ GILTI included on federal return
- ☐ Accounting period change
- ☐ Alternative apportionment request included

• Legal name

HEARTWISE INCORPORATED

• FEIN

45-5252765

• DBA/ABN

• Attn. or c/o

• Current address

2973 HARBOR BLVD. #472

• City

COSTA MESA

• State

CA

• ZIP code

92626

• Contact first name

• Initial

• Last name

• Contact phone

(714) 352-3132

• Email

CTJONDRO@DRMRESOURCES.COM

Don't complete questions A through D unless this is your first return, or the answer changed during this tax year.

- A. Incorporated in (state)
- Incorporated on (date)
- B. State of commercial domicile
- C. Date business activity began in Oregon
- D. Business activity code

- E. ☐ (1) Consolidated federal return
- ☐ (2) Consolidated Oregon return
- ☐ (3) Corporations included in consolidated federal return, but not in Oregon return

• F. Enter name of parent corporation, if applicable

• Enter FEIN of parent corporation, if applicable

• G. Number of Oregon corporations

1

• H. List the tax years for which federal waivers of the statute of limitations are in effect and dates on which waivers expire

• I. List the tax years for which your federal taxable income was changed by an IRS audit or by an amended federal return filed during this tax year

• J.

If first return, ☐ New business ☐ Successor to previous business indicate:

Name of previous business

• K.

If final return, ☐ Withdrawn ☐ Dissolved ☐ Merged or reorganized indicate:

Name of merged or reorganized corporation

FEIN

FEIN

• L.

☐ Utility or telecommunications companies (see instructions)

• M.

☐ Interstate broadcaster (see instructions)

N. Fill in the amount of your total Oregon sales. • N.

2019 Form OR-20

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(Rev. 08-14-19 ver.01)

Oregon Department of Revenue



02581901021032

HEARTWISE INCORPORATED		45-5252765	
	1	Taxable income from U.S. corporation income tax return (see instructions).....	1, 536,719.00
	2	Total additions from Schedule OR-ASC-CORP, Section A (see instructions).....	
	3	Income after additions (line 1 plus line 2).....	1, 536,719.00
	4	Total subtractions from Schedule OR-ASC-CORP, Section B (see instructions).....	
	5	Income before net loss deduction (line 3 minus line 4). If income is derived from sources both in Oregon and other states, carry amount from line 5 to Schedule OR-AP, part 2, line 1.....	1, 536,719.00
	6	Net loss deduction if not apportioned (include schedule, enter as a positive number).....	
	7	Net capital loss deduction if not apportioned (include schedule, enter as a positive number).....	
	8	Enter the apportionment percentage from Schedule OR-AP, part 1, line 22; enter 100.0000 if you don't apportion income.....	0. %
		You must include Schedule OR-AP to apportion income.	
	9	Oregon taxable income (line 5 minus lines 6 and 7, or Schedule OR-AP, part 2, line 11).....	-139,467.00
<hr/>			
Tax	10	Calculated excise tax (see instructions).....	
	11	Schedule OR-FCG-20 adjustment (include schedule).....	
	12	Total calculated excise tax (line 10 minus line 11).....	
	13	Minimum tax (see instructions).....	150.00
	14	Tax (greater of line 12 or line 13).....	150.00
	15	Tax adjustments (see instructions, include schedule).....	
	16	Tax before credits (line 14 plus line 15).....	150.00
<hr/>			
Credits	17	Total standard credits from Schedule OR-ASC-CORP, Section C.....	
	18	Tax after standard credits (line 16 minus line 17, not less than minimum tax).....	150.00
	19	Total carryforward credits from Schedule OR-ASC-CORP, Section D.....	
<hr/>			
Excise tax	20	Excise tax after standard and carryforward credits (line 18 minus line 19, not below minimum tax; see instructions).....	150.00
	21	LIFO benefit recapture subtraction (see instructions).....	
	22	Net excise tax (line 20 minus line 21).....	150.00
	23	2019 Estimated tax payments, other prepayments, and refundable credits from Schedule ES line 8. Include payments made with extension.....	300.00
	24	Withholding payments made on your behalf from pass-through entity or real estate income (include schedule).....	
	25	Tax due. Is line 22 more than line 23 plus line 24? If so, line 22 minus lines 23 and 24.....	Tax due 25
	26	Overpayment. Is line 22 less than line 23 plus line 24? If so, line 23 plus line 24, minus line 22.....	Overpayment 26
	27	Penalty due with this return.....	27
	28	Interest due with this return.....	28
	29	Interest on underpayment of estimated tax (include Form OR-37).....	29
	30	Total penalty and interest (add lines 27 through 29).....	30
	31	Total due (line 25 plus line 30).....	Total due 31
	32	Refund available (line 26 minus line 30).....	Refund 32
	33	Amount of refund to be credited to your open estimated tax account.....	33
	34	Net refund (line 32 minus line 33).....	Net refund 34

2019 Form OR-20

Page 3 of 3, 150-102-020
(Rev. 08-14-19 ver. 01)

Oregon Department of Revenue



02581901031032

HEARTWISE INCORPORATED 45-5252765
Schedule ES – Estimated Tax Payments, Other Prepayments, and Refundable Credits

1 Quarter 1	Name of payer			Amount paid • 1	150.00
	• Payer's FEIN	Date paid			
		09/18/2019			
2 Quarter 2	Name of payer			Amount paid • 2	
	• Payer's FEIN	Date paid			
3 Quarter 3	Name of payer			Amount paid • 3	
	• Payer's FEIN	Date paid			
4 Quarter 4	Name of payer			Amount paid • 4	
	• Payer's FEIN	Date paid			
5 Overpayment of another year's tax applied as a credit against this year's tax • 5					
6 Payments made with extension or other prepayments for this tax year and date paid. 07/15/2020 • 6					150.00
7 Total refundable credits from Schedule OR-ASC-CORP, Section E • 7					
8 Total prepayments and refundable credits (carry to line 23 on previous page) • 8					300.00

Under penalty of false swearing, I declare that the information in this return and any enclosures are true, correct, and complete.					
Sign here	Signature of officer X			Signature of preparer other than taxpayer X SOPHIA YANG	
	Date			Date	Phone
					949-651-8080
	• License no. of preparer				
	Print first name of officer	Initial	Last name	Print first name of preparer Initial Last name	
			SOPHIA YANG		
Title of officer PRESIDENT			Address of preparer SOPHIA M.C. YANG & CO., CPA 17534 VON KARMAN AVE.		
			City	State	ZIP code
			IRVINE	CA	92614

Mail refund returns and no tax due returns to: Refund, PO Box 14777, Salem OR 97309-0960	Mail tax-to-pay returns with payment to: Oregon Department of Revenue, PO Box 14790, Salem OR 97309-0470
--	--

Do NOT include a payment voucher with your return.
Include a complete copy of your federal Form 1120 and schedules. Don't staple.

2019 Schedule OR-AP

Page 1 of 1, 150-102-171
(Rev. 08-12-19 ver. 01)

Oregon Department of Revenue



15571901011032

Office use only

Apportionment of Income for Corporations and Partnerships

Submit original form—do not submit photocopy.

Legal name of entity (as shown on your Oregon return)

HEARTWISE INCORPORATED

FEIN

45-5252765

Describe the nature and provide the location(s) of your Oregon business activities:

Schedule OR-AP, part 1—Apportionment information

(Don't enter an amount less than zero)

Property/real estate income and interest factor

		(a) Oregon	(b) Everywhere
1 Inventories	1	1,296,592.00	2,642,241.00
2 Buildings and other depreciable assets	2		152,554.00
3 Land	3		
4 Other assets	4		
5 Minus: Construction in progress	5		
6 Rented property (capitalize at 8 times the rental rate paid)	6		43,104.00
7 Net income from real property (insurance only)	7		
8 Interest received on loans secured by real property (insurance only)	8		
9 Total property or real estate income and interest	9	1,296,592.00	2,837,899.00

Payroll factor (wage and commission)

10 Compensation of officers	10	88,179.00	177,479.00
11 Other wages, salaries, and commissions	11	81,192.00	263,800.00
12 Total wages and compensation	12	169,371.00	441,279.00

Sales factor

13 Shipped from outside Oregon	13		
14 Shipped from inside Oregon	14		
15 Shipped from Oregon to the United States government	15		
16 Shipped from Oregon to purchasers where corporation is not taxable	16		
17 Other business receipts	17		
18 Direct premiums (insurance only)	18		
19 Annuity considerations (insurance only)	19		
20 Finance and service charge (insurance only)	20		
21 Total sales	21		13,049,372.00
22 Oregon apportionment percentage (Enter the amount from the worksheet) (Round to four decimal places)	22		0. %

Schedule OR-AP, part 2—Taxable income computation

1 Income	1		1,536,719.00
2 Subtract: Net nonapportionable income included in line 1. Include schedule.	2		
3 Subtract: Gains from prior year installment sales included in line 1. Include schedule.	3		
4 Total net income subject to apportionment	4		1,536,719.00
5 Oregon apportionment percentage (from Schedule OR-AP, part 1, line 22) (Round to four decimal places)	5		0. %
6 Income apportioned to Oregon (line 4 times line 5)	6		
7 Add: Net nonapportionable income allocated entirely to Oregon. Include schedule.	7		
8 Add: Gain from prior year installment sales apportioned to Oregon. Include schedule.	8		
9 Total of lines 6, 7, and 8	9		
10 (a) Oregon apportioned net loss from prior years. Include schedule.	10a	139,467.00	
(b) Net capital loss from other years. Include schedule.	10b		
Total loss (line 10a plus line 10b)	10		139,467.00
11 Oregon taxable income (line 9 minus line 10)	11		-139,467.00

2019

OREGON STATEMENTS

PAGE 1

HEARTWISE INCORPORATED

45-5252765

STATEMENT 1
SCHEDULE OR-AP-2, LINE 10 (A)
OREGON NET OPERATING LOSS DEDUCTION

CARRYOVER GENERATED FROM YEAR END	12/31/18	\$	139,467.	
AVAILABLE FOR CARRYOVER TO 2019.....				139,467.
TOTAL NET OPERATING LOSS DEDUCTION.....		\$		<u>139,467.</u>

Form **7004**

(Rev. December 2018)

Department of the Treasury
Internal Revenue Service

Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns

► File a separate application for each return.

► Go to www.irs.gov/Form7004 for instructions and the latest information.

OMB No. 1545-0233

Print
or
Type

Name

HEARTWISE INCORPORATED

Identifying number

45-5252765

Number, street, and room or suite no. (If P.O. box, see instructions.)

2973 HARBOR BLVD. #472

City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code).)

COSTA MESA, CA 92626

Note: File request for extension by the due date of the return. See instructions before completing this form.

Part I Automatic Extension for Certain Business Income Tax, Information, and Other Returns. See instructions.

1 Enter the form code for the return listed below that this application is for. 12

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041 (estate other than a bankruptcy estate)	04	Form 1120-REIT	23
Form 1041 (trust)	05	Form 1120-RIC	24
Form 1041-N	06	Form 1120S	25
Form 1041-QFT	07	Form 1120-SF	26
Form 1042	08	Form 3520-A	27
Form 1065	09	Form 8612	28
Form 1066	11	Form 8613	29
Form 1120	12	Form 8725	30
Form 1120-C	34	Form 8804	31
Form 1120-F	15	Form 8831	32
Form 1120-FSC	16	Form 8876	33
Form 1120-H	17	Form 8924	35
Form 1120-L	18	Form 8928	36
Form 1120-ND	19		

Part II All Filers Must Complete This Part

2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here. ☐ ►

3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here. ☐ ►
If checked, attach a statement listing the name, address, and employer identification number (EIN) for each member covered by this application.

4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here. ☐ ►

5 a The application is for calendar year 20 19, or tax year beginning _____, 20 __, and ending _____, 20 __

b Short tax year. If this tax year is less than 12 months, check the reason: ☐ Initial return ☐ Final return
☐ Change in accounting period ☐ Consolidated return to be filed ☐ Other (See instructions — attach explanation.)

6 Tentative total tax	6	292,835.
7 Total payments and credits. See instructions	7	0.
8 Balance due. Subtract line 7 from line 6. See instructions	8	292,835.

BAA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

CPCZ0701L 08/09/18

Form 7004 (Rev. 12-2018)

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 10250 Constellation Blvd., Suite 1700, Los Angeles, CA 90067

A true and correct copy of the foregoing document SUBMISSION OF AMENDED EXHIBIT 5 TO DECLARATION OF OSMAN KHAN FILED IN SUPPORT OF MOTION TO APPOINT A CHAPTER 11 TRUSTEE will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (date) February 22, 2021, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On February 22, 2021 I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

Served via Mail

The Honorable Mark Wallace
United States Bankruptcy Court
Central District of California
Ronald Reagan Federal Building and Courthouse
411 West Fourth Street, Suite 6135 / Courtroom 6C
Santa Ana, CA 92701-4593

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL
(state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on February 22, 2021 I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

February 22, 2021
Date

Jason Klassi
Printed Name

/s/ Jason Klassi
Signature

8:20-bk-13335-MW Notice will be electronically mailed to:

Anthony Bisconti on behalf of Creditor Robinson Pharma, Inc.
tbisconti@bienertkatzman.com, 4579179420@filings.docketbird.com;chowland@bienertkatzman.com

Ronald Clifford on behalf of Debtor Heartwise, Inc.
rclifford@blakeleyllp.com, ecf@blakeleyllp.com;info@ecf.inforuptcy.com

Nancy S Goldenberg on behalf of U.S. Trustee United States Trustee (SA)
nancy.goldenberg@usdoj.gov

Eve H Karasik on behalf of Creditor Vitamins Online, Inc
ehk@lnbyb.com

Eve H Karasik on behalf of Interested Party Levene, Neale, Bender, Yoo & Brill L.L.P.
ehk@lnbyb.com

Steven J. Katzman on behalf of Creditor Robinson Pharma, Inc.
SKatzman@bienertkatzman.com,
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